

UNITED STATES DISTRICT COURT  
FOURTH DIVISION  
DISTRICT OF MINNESOTA

Michael Anthony Tomars, by his  
conservator Jacqueline Mannering,

Court File No. 12-2162 (JNE/JJG)

Plaintiff,

**AFFIDAVIT OF  
SANDRA SNODGRASS**

vs.

United Financial Casualty Company,

Defendant.

STATE OF OHIO )

COUNTY OF CUYAHOGA )

) SS

Sandra Snodgrass, being duly sworn, does state and allege:

1. That I am the Compliance Manager for the Commercial Lines Division, and I am a person with knowledge related to the insurance policy issued by United Financial at issue in this case.

2. The policy issued by United financial providing insurance coverage for the vehicle Mr. Tomars was driving is the Ohio policy with Ohio endorsements. The policy is attached to this affidavit as Exhibit A.

3. The "Minnesota Amendatory Endorsement" attached to Plaintiff's opposition memorandum to the previous Summary Judgment motion as Exhibit A was NOT attached to the United Financial Casualty Company policy at issue in this case.



4. The policy at issue was an Ohio policy that did not have any Minnesota endorsement attached to it.

5. Attached to this affidavit as Exhibit B is the official declarations page that was issued when this policy was issued. It was delivered to the insured (Progressive) in the Risk Management Department. It covers Progressive's fleet vehicles. The Risk Manager keeps this declaration page as the policy at issue. Any declarations page should match this official copy. Attached as Exhibit C to Ms. Snodgrass' affidavit is the email that delivered the 2009 policy which was in place at the time of the accident. The second page of Exhibit C lays out the premiums for all of the Ohio vehicles.

6. I understand that the Minnesota endorsement was provided to Plaintiff's counsel in April of 2011. This was done prior to the underinsured motorist lawsuit, but after the accident. The Minnesota endorsement was improperly provided at that time.

7. Once a claim is identified as involving a company car, a Claims Verifier will locate the policy declaration pages stored electronically, print a copy, certify that it is a copy of the original and provide to the requester. The Verifier should print the endorsements that are listed as attached to the policy.

8. The declarations pages for this term do not (and never did) list the Minnesota endorsement because this was an Ohio policy with Ohio endorsements.

9. I understand that Jason Ball requested a certified policy and that Christina Brezic pulled the information for the policy. ~~Ms. Brezic inadvertently~~ provided the wrong information for the policy. Ms. Brezic testified that she pulled the endorsements for Minnesota because the accident happened in Minnesota. That was incorrect. The Ohio policy information should have been pulled and certified because this was an Ohio policy.

10. The Ohio policy endorsements were filed with the Ohio Department of Insurance and approved before this policy was issued.

11. The Ohio policy was negotiated between United Financial and Progressive. The premium was based on the Ohio policy. The Ohio policy was issued based on the understanding between United Financial as the insurer and Progressive as the insured.

FURTHER THIS AFFIANT SAYETH NOT.

Sandra Snodgrass  
Sandra Snodgrass

Subscribed and sworn to before me  
31<sup>st</sup> day of January, 2014.

Carreesele A. Harris  
Notary Public



CARREESELA A. HARRIS  
NOTARY PUBLIC  
STATE OF OHIO  
Recorded in  
Cuyahoga County  
My Comm. Exp. 1/11/17

PROGRESSIVE  
PO BOX 94739  
CLEVELAND, OH 44101

**PROGRESSIVE®**

Named insured

THE PROGRESSIVE CORP ETAL  
6300 WILSON MILLS RD  
MAYFIELD, OH 44143

**Policy number: 03641761-3**

Underwritten by:

United Financial Casualty Company

June 23, 2009

Policy Period: Jul 1, 2009 - Jul 1, 2010

Page 1 of 2

**progressive.com**

**Online Service**

Make payments, check billing activity, print policy documents, or check the status of a claim.

**800-895-2886**

For customer service and claims service,  
24 hours a day, 7 days a week.

## Commercial Auto Insurance Coverage Summary

### This is your Renewal Declarations Page

This Renewal Declarations Page is effective only if the minimum amount due to renew your policy is received or postmarked by July 1, 2009.

Your coverage begins on July 1, 2009 at 12:01 a.m. This policy expires on July 1, 2010 at 12:01 a.m.

Your insurance policy and any policy endorsements contain a full explanation of your coverage. The policy limits shown for an auto may not be combined with the limits for the same coverage on another auto, unless the policy contract allows the stacking of limits. The policy contract is form 6912 (03/05). The contract is modified by forms Z435 (12/06), Z228 (07/05), 28520H (09/04), 48520H (09/04), 48810H (08/05), 1890 (06/04), 1891 (09/04) and 4757 (08/04).

The named insured organization type is a corporation.

#### Outline of coverage

Description	Limits	Deductible	Premium
Liability To Others			\$3,555
Bodily Injury and Property Damage Liability	\$1,000,000 combined single limit		
Hired Auto Liability To Others			95
Bodily Injury and Property Damage Liability	\$1,000,000 combined single limit		
Employer Non-Owned Auto Liability To Others			67
Bodily Injury and Property Damage Liability	\$1,000,000 combined single limit		
Uninsured/Underinsured Motorist	\$1,000,000 combined single limit		1,250
Uninsured Motorist Property Damage	Rejected		
Medical Payments	\$5,000 each person		105
<b>Total 12 month policy premium</b>			<b>\$5,072</b>

Number of Employees: (0 - 10)

Cost of Hire: \$5,000 or less (if any)

#### Rated driver

1. SEE COMPANY FILE

**CERTIFIED COPY**  
**THIS WILL CERTIFY THAT THE**  
**ATTACHED IS A TRUE AND COMPLETE COPY**  
**OF THE ORIGINAL**

*Thomas DiNallo*  
CUSTODIAN OF RECORDS



Form 6489 OH (05/06)

Continued

Policy number: 03641761-3  
 THE PROGRESSIVE CORP ETAL  
 Page 2 of 2

**Auto coverage schedule**

1. <b>2006 Ford Escape Xlt</b> VIN: ON FILE WITH CO1					Garaging Zip Code: 44143	Radius: 50
Liability Premium	Liability \$773	UM/UIM BI \$250	Med Pay \$21			Auto Total \$1,044
2. <b>2006 Ford Taurus Sel</b> VIN: ON FILE WITH CO2					Garaging Zip Code: 44143	Radius: 50
Liability Premium	Liability \$618	UM/UIM BI \$250	Med Pay \$21			Auto Total \$889
3. <b>2000 Ford Taurus Ses</b> VIN: ON FILE WITH CO3					Garaging Zip Code: 44143	Radius: 50
Liability Premium	Liability \$618	UM/UIM BI \$250	Med Pay \$21			Auto Total \$889
4. <b>2006 Ford Explorer Xlt</b> VIN: ON FILE WITH CO4					Garaging Zip Code: 44143	Radius: 50
Liability Premium	Liability \$773	UM/UIM BI \$250	Med Pay \$21			Auto Total \$1,044
5. <b>2006 Ford Explorer Xlt</b> VIN: ON FILE WITH CO5					Garaging Zip Code: 44143	Radius: 50
Liability Premium	Liability \$773	UM/UIM BI \$250	Med Pay \$21			Auto Total \$1,044

**Premium discounts**

Policy  
 03641761-3

Paid in Full and Renewal

**Company officers**

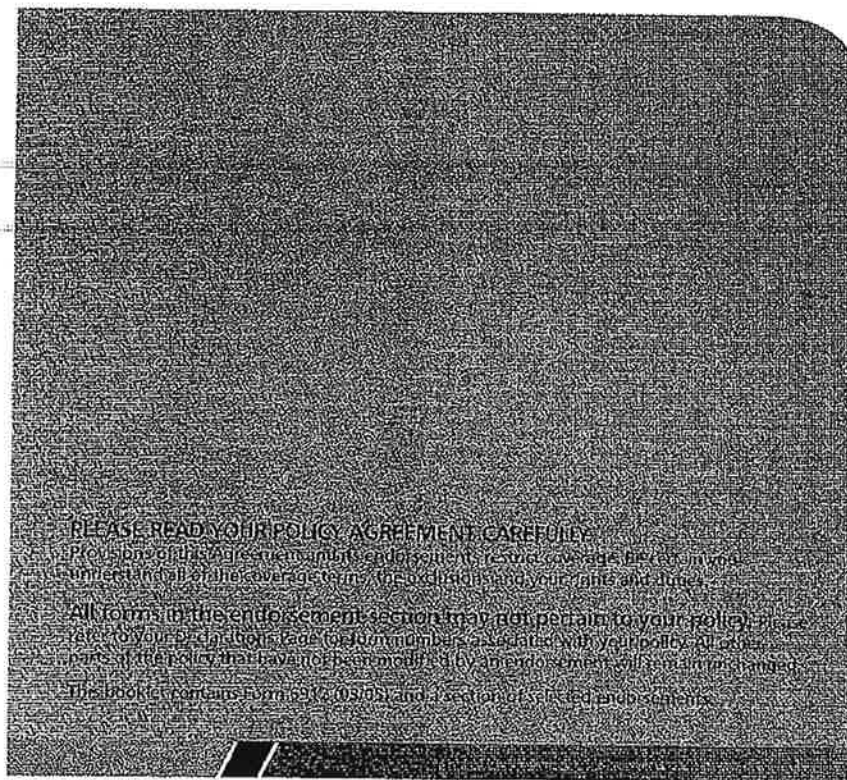
*Michael W. Bink*  
 President

*Patricia M. Conner*  
 Secretary

\*1781 OH 0109\*



## OHIO COMMERCIAL AUTO POLICY



**PLEASE READ YOUR POLICY AGREEMENT CAREFULLY.**

Provisions of this Agreement and its endorsement extend coverage to you. Understand all of the coverage terms, the exclusions and your rights and duties.

All forms in the endorsement section may not pertain to your policy. Please refer to your Declaration Page for form numbers associated with your policy. All other parts of the policy that have not been modified by an endorsement will remain unchanged.

This booklet contains Form 6916 (03/05) and a section of selected endorsements.

Form 1781 OH (01/09)

**PROGRESSIVE®**

**CERTIFIED COPY  
THIS WILL CERTIFY THAT THE  
ATTACHED IS A TRUE AND COMPLETE COPY  
OF THE ORIGINAL**

*James DiNello*  
CUSTODIAN OF RECORDS

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**COMMERCIAL AUTO POLICY**

If you pay your premium when due, we will provide the insurance described in this policy.

**YOUR DUTIES IN THE EVENT OF AN ACCIDENT, CLAIM, LOSS OR SUIT**

**Notify Us As Soon As Practicable After An Accident Or Loss**

If an insured or insured auto is involved in an accident or loss for which this insurance may apply, the accident or loss must be reported to us as soon as practicable by calling claims service, even if the insured is not at fault. Refer to your policy documents for the claims phone number.

You, or any other person or organization claiming coverage as an insured, should provide the following accident or loss information as soon as it is available:

- time, place, and circumstances of the accident or loss (for example, how the accident happened and weather conditions);
- names and addresses of all persons involved, and of any witnesses;
- the license plate numbers of the vehicles involved; and
- any other facts available concerning the accident or loss.

You, or any other person or organization claiming coverage as an insured, must also notify the police within twenty-four (24) hours or as soon as practicable if:

- the owner or operator of a vehicle involved in the accident cannot be identified; or
- theft or vandalism has occurred.

You and any person or organization claiming coverage as an insured must:

- assume no obligation, make no payment, or incur no expense without our consent, except at the insured's own cost;
- cooperate with us in any matter concerning a claim or lawsuit;
- provide any written proof of loss we may reasonably require;
- allow us to take signed and recorded statements, including sworn statements and examinations under oath, and answer all reasonable questions we may ask as often as we may reasonably require;
- promptly send us any and all legal papers relating to any claim or lawsuit;
- attend hearings and trials as we require;
- submit to medical examinations at our expense by doctors we select as often as we may reasonably require;
- authorize us to obtain medical and other records; and
- allow us access to information from any event data recorder, or similar device.

If there is a loss to an insured auto or its equipment, you must also:

- take reasonable steps after a loss to protect the insured auto from further loss. We will pay reasonable expenses incurred in providing that protection. If you fail to do so, any further damages will not be covered under this policy;



- allow us to have the damage to an **insured auto** or other **auto** involved in an **accident** or **loss** inspected and appraised before its repair or disposal;
- authorize us access to your business or personal records as often as we may reasonably require; and
- convey title to and possession of the damaged, destroyed, or stolen property to us if we pay the actual cash value of your **insured auto** less the deductible or if we pay the amount necessary to replace your **insured auto** less the deductible.

#### GENERAL DEFINITIONS

The words and phrases below, whether in the singular, plural or possessive, have the following special meanings when appearing in boldface type in this policy, and in endorsements issued in connection with this policy, unless specifically modified.

1. **"Accident"** means a sudden, unexpected and unintended event, or a continuous or repeated exposure to that event; that causes **bodily injury** or **property damage**.
2. **"Auto"** means a land motor vehicle or **trailer** designed for travel on public roads, or any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state or province where it is licensed or principally garaged. It does not include **mobile equipment**. Self-propelled vehicles with the following types of permanently attached equipment are autos, not **mobile equipment**:
  - a. equipment designed and used primarily for:
    - (i) snow removal;
    - (ii) road maintenance, but not construction or resurfacing;
    - (iii) street cleaning;
  - b. cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
  - c. air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment.
3. **"Bodily injury"** means bodily harm, sickness, or disease, including death that results from bodily harm, sickness, or disease.
4. **"Declarations"** or **"Declarations Page"** means the document prepared by us listing your policy information, which may include the types of coverage you have elected, the limit for each coverage, the cost for each coverage, the specifically described autos covered by this policy, and the types of coverage for each specifically described auto.
5. **"Insured auto"** or **"your insured auto"** means:
  - a. Any auto specifically described on the **Declarations Page**, unless you have asked us to delete that auto from the policy.

- b. Any additional **auto** on the date **you** become the owner if:
- (i) **you** acquire the **auto** during the policy period shown on the **Declarations Page**;

- (ii) **we** insure all **autos** owned by **you** that are used in **your** business; and
- (iii) no other insurance policy provides coverage for that **auto**.

**We** will provide coverage for an additional **auto** for a period of thirty (30) days after **you** become the owner of such additional **auto**. **We** will not provide any coverage after this thirty (30) day period unless within this period **you** ask **us** to insure the additional **auto**. If **you** add any coverage, increase **your** limits or make any other changes to this policy during this thirty (30) day period, these changes to **your** policy will not become effective until after **you** ask **us** to add the coverage, increase **your** limits or make such changes. **We** may charge premium for the additional **auto** from the date **you** acquire the **auto**.

With respect to PART I - LIABILITY TO OTHERS, if **we** provide coverage for an additionally acquired **auto** in accordance with this paragraph b., **we** will provide the same coverage for such additional **auto** as **we** provide for any **auto** shown on the **Declarations Page**.

With respect to PART II - DAMAGE TO YOUR AUTO, if **we** provide coverage for an **auto** **you** acquire in addition to any **auto** specifically described on the **Declarations Page**, and the additional **auto** is:

- (i) a **private passenger auto**, **we** will provide the broadest coverage **we** provide for any **auto** shown on the **Declarations Page**; or
- (ii) any **auto** other than a **private passenger auto**, and **you** have purchased Physical Damage coverage for at least one **auto** other than a **private passenger auto**, **we** will provide the broadest coverage for which the newly acquired **auto** is eligible.

- c. Any replacement **auto** on the date **you** become the owner if:
- (i) **you** acquire the **auto** during the policy period shown on the **Declarations Page**;

- (ii) the **auto** that **you** acquire replaces one specifically described on the **Declarations Page** due to termination of **your** ownership of the replaced **auto** or due to mechanical breakdown of, deterioration of, or loss to the replaced **auto** that renders it permanently inoperable; and

- (iii) no other insurance policy provides coverage for that **auto**.

If **we** provide coverage for a replacement **auto**, **we** will provide the same coverage for the replacement **auto** as **we** provide for the replaced **auto**. **We** will provide that coverage for a period of thirty (30) days after **you** become the owner of such replacement **auto**. **We** will not provide any coverage after this thirty (30) day period unless within this period **you** ask **us** to insure the replacement **auto**. If **you** add any coverage, increase **your** limits or make any other changes to **your** policy during this thirty (30) day period, these changes to **your** policy will not become effective until after **you** ask **us** to add the coverage, increase **your** limits or make such changes.

If ownership of any **insured auto** is transferred, or such **auto** becomes permanently inoperable, this policy no longer applies to it.

6. **"Insured contract"** means:

- a. A lease of premises;
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. That part of any other contract or agreement pertaining to **your business** (including an indemnification of a municipality in connection with work performed for a municipality) under which **you** assume the tort liability that is vicariously imposed on another for **your** negligence or that of **your** employees or agents; or
- f. That part of any contract or agreement, entered into as part of **your business**, for the rental of an **insured auto**. However, such contract or agreement shall not be considered an **insured contract** to the extent that it obligates **you** or any of **your** employees to pay for **property damage** to any **auto** rented or leased to **you** or any of **your** employees.

An **"insured contract"** does not include that part of any contract or agreement:

1. That indemnifies a railroad for **bodily injury** or **property damage** arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing; or
2. That pertains to the loan, lease or rental of an **auto** to **you** or any of **your** employees, if the **auto** is loaned, leased or rented with a driver; or
3. That holds a person or organization engaged in the business of transporting property by **auto** for hire harmless for **your** use of an **insured auto** over a route or territory that person or organization is authorized to serve by public authority.

7. **"Loss"** means sudden, direct and accidental loss or damage.

8. **"Mobile equipment"** means any of the following types of land vehicles including, but not limited to, any attached machinery or equipment:

- a. Bulldozers, farm implements and machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles **you** use solely on premises **you** own or rent and on accesses to public roads from these premises, unless specifically described on the **Declarations Page** and not defined as **mobile equipment** under other parts of this definition;
- c. Any vehicle that travels on crawler treads, or that does not require licensing in the state in which **you** live or **your** business is licensed;
- d. Vehicles, whether self-propelled or not, used primarily to provide mobility to permanently attached:
  - (i) Power cranes, shovels, loaders, diggers or drills; or

- (ii) Road construction or resurfacing equipment such as graders, scrapers or rollers.
- e. Vehicles not described in Paragraphs a., b., c., or d. above that are not self-propelled and are used primarily to provide mobility to permanently attached equipment of the following types:
  - (i) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
  - (ii) Cherry pickers and similar devices used to raise or lower workers.
- f. Vehicles not described in Paragraphs a., b., c., or d. above that are self-propelled and used primarily for purposes other than transportation of persons or cargo. However, **mobile equipment** does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state or province where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle law are considered autos.

9. **"Occupying"** means in, on, entering or exiting.

10. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

11. **"Private passenger auto"** means a land motor vehicle:

- a. of the private passenger, pickup body, or cargo van type;
- b. designed for operation principally upon public roads;
- c. with at least four wheels; and
- d. with a gross vehicle weight rating of 12,000 pounds or less, according to the manufacturer's specifications.

However, **private passenger auto** does not include step-vans, parcel delivery vans, or cargo cutaway vans or other vans with cabs separate from the cargo area.

12. **"Property damage"** means physical damage to, destruction of, or loss of use of, tangible property.

13. **"Relative"** means any person living in the household in which the named insured resides who is related to the named insured by blood, marriage, or adoption, including a ward or foster child. This term only applies if the named insured is a natural person.

14. **"Temporary substitute auto"** means any **auto** used, with the permission of its owner, as a substitute for an **Insured auto** that has been withdrawn from normal use due to breakdown, repair, servicing, loss or destruction, and that is:

- a. not owned by or registered to **you**, or if **you** are a natural person, not owned by or registered to **you**, **your** nonresident spouse, or a resident of the household in which **you** reside;

- b. not leased by **you** under a written contract for a period of six (6) months or more, or if **you** are a natural person, not leased by **you**, **your** nonresident spouse, or a resident of the household in which **you** reside, under a written contract for a period of six (6) months or more;
  - c. not owned by **your** employee or leased by **your** employee under a written contract for a period of six (6) months or more; and
  - d. not borrowed from **your** employees or members of their households.
15. **"Trailer"** includes a semi-trailer and any piece of equipment used to convert a semi-trailer to a full trailer while it is attached to the semi-trailer.
16. **"We", "us" and "our"** mean the company providing this insurance as shown on the **Declarations Page**.
17. **"You", "your" and "yours"** refer to the named insured shown on the **Declarations Page**.

#### **PART I - LIABILITY TO OTHERS**

##### **INSURING AGREEMENT - LIABILITY TO OTHERS**

Subject to the Limits of Liability, if **you** pay the premium for liability coverage, we will pay damages, **OTHER THAN PUNITIVE OR EXEMPLARY DAMAGES**, for **bodily injury, property damage, and covered pollution cost or expense**, for which an insured becomes legally responsible because of an accident arising out of the ownership, maintenance or use of an **insured auto**. However, we will only pay for the covered pollution cost or expense if the same accident also caused **bodily injury or property damage** to which this insurance applies.

We will settle or defend, at **our** option, any claim or lawsuit for damages covered by this Part I. We have no duty to settle or defend any lawsuit, or make any additional payments, after the Limit of Liability for this coverage has been exhausted by payment of judgments or settlements.

##### **ADDITIONAL DEFINITIONS USED IN THIS PART ONLY**

- A. When used in PART I - LIABILITY TO OTHERS, **insured** means:
- 1. **You** with respect to an **insured auto**.
  - 2. Any person while using, with **your** permission, and within the scope of that permission, an **insured auto** you own, hire, or borrow except:
    - (a) A person while he or she is working in a business of selling, leasing, repairing, parking, storing, servicing, delivering or testing **autos**, unless that business is **yours** and it was so represented in **your** application.
    - (b) A person, other than one of **your** employees, while he or she is moving property to or from an **insured auto**.

- (c) The owner or anyone else from whom the **insured auto** is leased, hired, or borrowed unless the **insured auto** is a trailer connected to a power unit that is an **insured auto**. However, this exception does not apply if the **insured auto** is specifically described on the **Declarations Page**, but only for that **insured auto**.

For purposes of this subsection A.2., an **insured auto** you own includes any **auto** specifically described on the **Declarations Page**.

3. Any other person or organization, but only with respect to the legal liability of that person or organization for acts or omissions of any person otherwise covered under this **PART I - LIABILITY TO OTHERS**.

If we make a filing or submit a certificate of insurance on your behalf with a regulatory or governmental agency, the term "**insured**" as used in such filing or certificate, and in any related endorsement, refers only to the person or organization named on such filing, certificate or endorsement.

**B. When used in PART I - LIABILITY TO OTHERS, insured auto also includes:**

1. Trailers, with a load capacity of 2,000 pounds or less and designed primarily for travel on public roads, while connected to **your insured auto** that is a power unit;
2. Mobile equipment while being carried or towed by an **insured auto**; and
3. Any temporary substitute auto.

**C. When used in PART I - LIABILITY TO OTHERS, "covered pollution cost or expense" means any cost or expense arising out of:**

1. Any request, demand, order, or statutory or regulatory requirement; or
2. Any claim or suit by or on behalf of a governmental authority demanding that the **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of, **pollutants**.

**Covered pollution cost or expense** does not include any cost or expense arising out of the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, or escape of **pollutants**:

- a. That are, or that are contained in any property that is:
  - (i) Being transported or towed by, handled, or handled for movement into, onto, or from, the **insured auto**;
  - (ii) Otherwise in the course of transit by or on behalf of the **insured**; or
  - (iii) Being stored, disposed of, treated, or processed in or upon the **insured auto**;
- b. Before the **pollutants** or any property in which the **pollutants** are contained are moved from the place where they are accepted by the **insured** for movement into or onto the **insured auto**; or
- c. After the **pollutants** or any property in which the **pollutants** are contained are moved from the **insured auto** to the place where they are finally delivered, disposed of, or abandoned by the **insured**.

The above Paragraph a. of this definition does not apply to fuels, lubricants, fluids, exhaust gasses or other similar **pollutants** that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the **insured auto** or its parts, if:

- (1) The **pollutants** escape, seep, migrate, or are discharged, dispersed or released directly from an **insured auto** part designed by its manufacturer to hold, store, receive or dispose of such **pollutants** and is a part that would be required for the customary operation of the **insured auto**; and
- (2) The **bodily injury, property damage or covered pollution cost or expense** does not arise out of the operation of any equipment listed in Paragraphs b. and c. of the definition of **auto**.

The above Paragraphs b. and c. of this definition do not apply to accidents that occur away from premises owned by or rented to an **insured** with respect to **pollutants** not in or upon an **insured auto** if:

- (1) The **pollutants** or any property in which the **pollutants** are contained are upset, overturned or damaged as a result of the maintenance or use of an **insured auto**; and
- (2) The discharge, dispersal, release or escape of the **pollutants** is caused directly by such upset, overturn or damage.

#### **ADDITIONAL PAYMENTS**

In addition to our Limit of Liability, we will pay for an **insured**:

1. all expenses that we incur in the settlement of any claim or defense of any lawsuit;
2. interest accruing after entry of judgment on that part of the judgment that does not exceed **our** Limit of Liability. This payment does not apply if **we** have not been given notice of suit or the opportunity to defend an **insured**. **Our** payment, offer in writing, or deposit in court of that part of the judgment which does not exceed **our** Limit of Liability ends **our** duty to pay interest which accrues after the date of **our** payment, written offer or deposit;
3. the premium on any appeal bond or attachment bond required in any lawsuit **we** defend. **We** have no duty to purchase a bond in a principal amount exceeding **our** Limit of Liability, and **we** have no duty to apply for or furnish these bonds;
4. up to \$2,000 for cost of bail bonds required because of an **accident we** cover. **We** have no duty to apply for or furnish these bonds;
5. reasonable expenses incurred by an **insured** at **our** request, including loss of earnings up to \$250 a day.

#### **OUT-OF-STATE COVERAGE EXTENSION**

If an accident to which this Part I applies occurs in any state, territory, or possession of the United States of America, Puerto Rico, or any province or territory of Canada, other than the state in which an **insured auto** is principally garaged, and the state, province, territory or possession has:

1. a financial responsibility or similar law requiring limits of liability for **bodily injury or property damage** higher than the limits shown on the **Declarations Page**, this policy will provide the higher limit; or
2. a compulsory insurance or similar law requiring a non-resident to maintain insurance whenever the non-resident uses an **auto** in that state, province, territory or possession, this policy will provide the greater of:
  - a. the required minimum amounts and types of coverage; or
  - b. the Limits of Liability under this policy.

This extension does not apply to the limit or limits specified by any law governing commercial carriers of passengers or property.

We will not pay anyone more than once for the same elements of loss because of this extension.

**EXCLUSIONS - PLEASE READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE FOR AN ACCIDENT OR LOSS WILL NOT BE AFFORDED UNDER THIS PART I - LIABILITY TO OTHERS.**

Coverage under this Part I, including our duty to defend, does not apply to:

1. **Bodily injury or property damage** either expected by or caused intentionally by or at the direction of any **insured**.
2. Any liability assumed by an **insured** under any contract or agreement, unless the agreement is an **insured contract** that was executed prior to the occurrence of any **bodily injury or property damage**.

However, this exclusion does not apply to liability for damages that an **insured** would have in the absence of the contract or agreement.

3. Any obligation for which an **insured** or an insurer of that **insured**, even if one does not exist, may be held liable under workers' compensation, unemployment compensation, disability benefits law, or any similar law.
4. An **accident** for which any person is insured under nuclear energy liability insurance. This exclusion applies even if the limits of that insurance are exhausted.
5. **Bodily injury** to:
  - a. An employee of any **insured** arising out of or within the course of:
    - (i) That employee's employment by any **insured**; or



- (ii) Performing duties related to the conduct of any **Insured's** business; or
- b. The spouse, child, parent, brother or sister of that employee as a consequence of Paragraph a. above.

This exclusion applies:

- a. Whether the **Insured** may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to **bodily injury** to a domestic employee if benefits are neither paid nor required to be provided under any workers' compensation, disability benefits, or similar law, or to liability for **bodily injury** assumed by the **Insured** under an **Insured contract**. For the purposes of this policy, a domestic employee is a person engaged in household or domestic work performed principally in connection with a residence premises.

- 6. **Bodily injury** to a fellow employee of an **Insured** injured while within the course of their employment or while performing duties related to the conduct of **your** business.
- 7. **Property damage** to, or covered pollution cost or expense involving, any property owned by, rented to, being transported by, used by, or in the care, custody or control of an **Insured**, including any motor vehicle operated or being towed. But this exclusion does not apply to liability assumed under a sidetrack agreement.
- 8. **Bodily injury** or **property damage** resulting from or caused by the movement of property by a mechanical device, other than a hand truck, not attached to an **Insured auto**.
- 9. **Bodily Injury** or **property damage** resulting from or caused by the handling of property:
  - a. before it is moved from the place where it is accepted by the **Insured** for movement into or onto **your Insured auto**; or
  - b. after it has been moved from **your Insured auto** to the place where it is finally delivered by the **Insured**.
- 10. **Bodily injury** or **property damage** resulting from or caused by the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, or escape of any **pollutants**:
  - a. That are, or that are contained in any property that is:
    - (i) Being transported or towed by, handled, or handled for movement into, onto, or from, the **Insured auto**;
    - (ii) Otherwise in the course of transit by or on behalf of the **Insured**; or
    - (iii) Being stored, disposed of, treated, or processed in or upon the **Insured auto**;

- b. Before the **pollutants** or any property in which the **pollutants** are contained are moved from the place where they are accepted by the **Insured** for movement into or onto the **insured auto**; or
- c. After the **pollutants** or any property in which the **pollutants** are contained are moved from the **insured auto** to the place where they are finally delivered, disposed of, or abandoned by the **Insured**.

The above Paragraph a. of this exclusion does not apply to fuels, lubricants, fluids, exhaust gasses, or other similar **pollutants** that are needed for or result from the normal electrical, hydraulic, or mechanical functioning of the **insured auto** or its parts, if:

- (1) The **pollutants** escape, seep, migrate, or are discharged, dispersed, or released directly from an **insured auto** part designed by its manufacturer to hold, store, receive, or dispose of such **pollutants** and is a part that would be required for the customary operation of the **insured auto**; and
- (2) The **bodily injury, property damage, or covered pollution cost or expense** does not arise out of the operation of any equipment listed in Paragraphs b. and c. of the definition of **auto**.

The above Paragraphs b. and c. of this exclusion do not apply to accidents that occur away from premises owned by or rented to an **insured** with respect to **pollutants** not in or upon an **insured auto** if:

- (1) The **pollutants** or any property in which the **pollutants** are contained are upset, overturned, or damaged as a result of the maintenance or use of an **insured auto**; and
- (2) The discharge, dispersal, seepage, migration, release, or escape of the **pollutants** is caused directly by such upset, overturn, or damage.

- 11. **Bodily injury or property damage** arising out of you or an **insured** participating in, or preparing for, a prearranged or organized racing, speed or demolition contest, stunting activity, or performance contest.
- 12. **Bodily injury or property damage** due to war, whether declared or undeclared, civil war, insurrection, rebellion, revolution, or to any act or condition incident to these.
- 13. **Bodily injury, property damage, or covered pollution cost or expense** arising out of the operation of:
  - a. any equipment listed in Paragraphs b. and c. of the definition of **auto**; or
  - b. machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of **mobile equipment** if it were not subject to a compulsory or financial responsibility law where it is licensed or principally garaged.
- 14. **Bodily injury or property damage** arising out of, or caused by, your work after that work has been completed or abandoned.

For purposes of this exclusion, **your work** means:

- a. Work or operations performed by you or on your behalf;
- b. Materials, parts, or equipment furnished in connection with such work or operations; and
- c. The delivery of liquids.

**Your work** includes warranties or representations made at any time with respect to the fitness, quality, durability, or performance of any of the items included in Paragraphs a., b., or c. above.

**Your work** will be deemed completed at the earliest of the following times:

- a. When all of the work called for in **your contract** has been completed.
- b. When all of the work to be done at a particular site has been completed if **your contract** calls for work at more than one site.
- c. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair, or replacement, but which is otherwise complete, will be treated as completed.

#### **LIMIT OF LIABILITY**

Regardless of the number of premiums paid, or the number of **Insured autos** or trailers shown on the **Declarations Page**, or the number of policies issued by us, or the number of vehicles or **Insureds** involved in an **accident**, or the number of claims or lawsuits arising out of an **accident**, we will pay no more than the Limit of Liability shown for this coverage on the **Declarations Page**, subject to the following:

##### **1. Coverage Required by Filings**

If we have filed a certificate of insurance on **your** behalf with any regulatory or governmental agency, and:

- (i) we are required to pay any judgment entered against you; or
- (ii) we agree to settle a claim or lawsuit;

for **bodily injury, property damage, or covered pollution cost or expense** arising out of an **accident or loss** otherwise not covered under the terms of this policy solely because of such certificate of insurance, we will be obligated to pay no more than the minimum amount required by that agency or applicable law. If any payment is based solely on such certificate, you must reimburse us in full for our payment, including legal fees and costs we incurred, whether the payment is made as a result of judgment or settlement.

##### **2. Combined Bodily Injury and Property Damage Limits**

Subject to the terms of Section 1 above, if **your Declarations Page** indicates that combined **bodily injury and property damage** limits apply for "each accident" or

"combined single limit" applies, the most we will pay for the aggregate of all damages and covered pollution cost or expense combined, resulting from any one accident, is the combined liability insurance limit shown on the **Declarations Page**.

**3. Separate Bodily Injury Liability and Property Damage Liability Limits**

Subject to the terms of Section 1 above, if your **Declarations Page** indicates that separate **bodily injury** liability and **property damage** liability limits apply:

- a. The "each person" **bodily injury** liability limit listed on the **Declarations Page** is the maximum we will pay for **bodily injury** sustained by any one person in any one accident, and that "each person" maximum limit will apply to the aggregate of claims made for such **bodily injury** and any and all claims derived from such **bodily injury** including, but not limited to, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.
- b. Subject to the **bodily injury** liability limit for "each person", the "each accident" **bodily injury** liability limit listed on the **Declarations Page** is the maximum we will pay for **bodily injury** sustained by two or more persons in any one accident, including all derivative claims which include, but are not limited to, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.
- c. The "each accident" **property damage** liability limit listed on the **Declarations Page** is the maximum we will pay for the aggregate of all **property damage** and covered **pollution cost or expense** combined, sustained in any one accident.

For the purpose of determining our Limit of Liability under Sections 1., 2., and 3. above, all **bodily injury**, **property damage**, and covered **pollution cost or expense**, resulting from continuous or repeated exposure to substantially the same event, shall be considered as resulting from one accident.

An **insured auto** and any trailer or trailers attached thereto shall be deemed to be one **auto** with respect to our Limit of Liability.

Any amount payable under PART I - LIABILITY TO OTHERS to or for an injured person will be reduced by any payment made to that person under any UNINSURED MOTORIST COVERAGE, UNDERINSURED MOTORIST COVERAGE, PERSONAL INJURY PROTECTION COVERAGE, OR MEDICAL PAYMENTS COVERAGE provided by this policy.

**PART II - DAMAGE TO YOUR AUTO**

**INSURING AGREEMENT - COLLISION COVERAGE**

Subject to the Limits of Liability, if you pay the premium for Collision Coverage, we will pay for loss to your **insured auto** and its equipment when it collides with another object or overturns.

#### **INSURING AGREEMENT - COMPREHENSIVE COVERAGE**

Subject to the Limits of Liability, if **you** pay the premium for Comprehensive Coverage, **we** will pay for **loss to your insured auto** and its equipment from any cause other than those covered under Collision Coverage.

Any **loss** caused by missiles, falling objects, fire, theft, collision with an animal, or accidental glass breakage shall be deemed a Comprehensive **loss**. However, **you** have the option of having glass breakage caused by a covered auto's collision or overturn considered a **loss** under Collision Coverage.

#### **INSURING AGREEMENT - FIRE AND THEFT WITH COMBINED ADDITIONAL COVERAGE (CAC)**

Subject to the Limits of Liability, if **you** pay the premium for Fire and Theft with Combined Additional Coverage (CAC), **we** will pay for **loss to your insured auto** and its equipment caused by:

1. fire, lightning or explosion;
2. theft;
3. windstorm or hail;
4. earthquake;
5. flood or rising water;
6. malicious mischief or vandalism;
7. the stranding, sinking, burning, collision, or derailment of any conveyance in or upon which **your insured auto** is being transported; or
8. collision with a bird or animal.

No **losses** other than those specifically described above will be covered under Part II of this policy.

#### **ADDITIONAL COVERAGE**

##### **Transportation Expenses**

**We** will pay up to \$30 per day, up to a maximum of \$900, for temporary transportation expenses incurred by **you** because of the theft of an **insured auto** that is a **private passenger auto**. This coverage applies only to those **insured autos** for which **you** carry Comprehensive Coverage. **We** will pay for temporary transportation expenses incurred during the period beginning 48 hours after **you** report the theft to **us**, and ending when the **insured auto** is returned to use, or **we** pay for its **loss**.

#### **ADDITIONAL PAYMENTS**

If **you** have paid the premium for Comprehensive Coverage, Collision Coverage, or Fire and Theft with Combined Additional Coverage, then in addition to **our** Limit of Liability, **we** will pay:

1. All reasonable expenses necessary to return a stolen insured auto to you, unless we determine the auto to be a total loss.
2. All reasonable expenses necessary to remove an insured auto from the site of an accident or loss and transport it to a repair facility.

**ADDITIONAL DEFINITION USED IN THIS PART ONLY**

When used in PART II - DAMAGE TO YOUR AUTO:

"Total loss" means any loss to the insured auto that is payable under this Part II if the cost to repair the damage (including parts and labor), when combined with the salvage value, exceeds the actual cash value of the insured auto at the time of the loss.

**EXCLUSIONS - PLEASE READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE FOR AN ACCIDENT OR LOSS WILL NOT BE AFFORDED UNDER THIS PART II - DAMAGE TO YOUR AUTO.**

This coverage does not apply to loss:

1. Caused directly or indirectly by:
  - a. war, whether declared or undeclared, including civil war;
  - b. warlike action by any military force of any government, sovereign, or other authority using military personnel or agents. This includes any action taken to hinder or defend against an actual or expected attack;
  - c. insurrection, rebellion, revolution, usurped power, or any action taken by a governmental authority to hinder or defend against any of these acts; or
  - d. the explosion of any weapon employing atomic fission or fusion; or any nuclear reaction or radiation, or radioactive contamination, however caused.All such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.
2. To any sound equipment, video equipment or transmitting equipment not permanently installed in your insured auto, or to tapes, records, compact discs, DVD's or similar items used with sound or video equipment.
3. To radar detectors or to any other equipment or device designed or used to detect speed measuring equipment, or to any equipment designed or used to jam or disrupt any speed measuring equipment.
4. Resulting from manufacturer defects, wear and tear, freezing, or mechanical or electrical breakdown or failure. But, coverage does apply if the damage is the result of other loss covered by the policy.
5. Incurred while your insured auto is used in any illicit trade or transportation, or due to your insured auto's destruction or confiscation by governmental or civil authorities because you, or, if you are a natural person, any relative, engaged in illegal activities.

6. Caused by **you** or an insured participating in or preparing for a prearranged or organized racing, speed or demolition contest, stunting activity or performance contest.
7. To an **insured auto** for diminution of value.

#### **LIMIT OF LIABILITY**

1. The most we will pay for loss to **your insured auto** is the least of:
  - a. the actual cash value of the stolen or damaged property at the time of loss;
  - b. the amount necessary to replace the stolen or damaged property with other of like kind and quality;
  - c. the amount necessary to repair the damaged property to its pre-loss physical condition, however if we determine that the **insured auto** is a **total loss**, we may, at our option, pay the lesser of the actual cash value, Stated Amount, or the cost to replace, rather than repair the **insured auto**; or
  - d. the applicable Limit of Liability or Stated Amount of the property as shown on the **Declarations Page**.

Permanently attached equipment is included in the value of the **insured auto**, but only to the extent the value of the equipment has been included in the Limit of Liability or Stated Amount shown on the **Declarations Page**.

2. Payments for loss covered under Collision Coverage, Comprehensive Coverage, or Fire and Theft with Combined Additional Coverage are subject to the following provisions:
  - a. in determining the amount necessary to repair damaged property to its pre-loss physical condition, the amount to be paid by us:
    - (i) shall not exceed the prevailing competitive labor rates charged in the area where the property is to be repaired, and the cost of repair or replacement parts and equipment, as reasonably determined by us; and
    - (ii) will be based on the cost of repair or replacement parts and equipment which may be new, reconditioned, remanufactured, or used, including, but not limited to:
      - (a) original manufacturer parts or equipment; and
      - (b) non-original manufacturer parts or equipment;
  - b. the actual cash value is determined by the market value, age and condition of the **auto** at the time the loss occurs; and
  - c. duplicate recovery for the same elements of damages is not permitted.
3. To determine the amount necessary to repair the damaged property to its pre-loss physical condition as referred to in Paragraph 1.c., the total cost of necessary repairs will be reduced by:
  - a. the cost of labor, parts and materials necessary to repair or replace damage, deterioration, defects, or wear and tear on exterior body parts, windshields and other glass, wheels, and paint, that existed prior to the **accident** and that is eliminated as a result of the repair or replacement of property damaged in the loss. This adjustment for physical condition includes, but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and peeling paint;

- b. an amount for depreciation (also referred to as betterment) that represents a portion of the cost of mechanical parts (parts that wear out over time and have a useful life typically shorter than the life of the **auto** as a whole) that are installed as replacements for existing mechanical parts that were defective, inoperable or nonfunctional prior to the **accident**, which we deem necessary to replace in the course of repair; and
- c. an amount for depreciation (also referred to as betterment) on high-wear parts that have a measurable life, such as tires, batteries, engine or transmission, determined by the proportional increase in the useful life of the replacement part when compared to the replaced part. For example, if we replace a twenty-four (24) month old battery that had a manufacturer's rated life of sixty (60) months with a new sixty (60) month rated battery, our payment for the battery is reduced by forty percent (40%) and you are responsible to pay that forty percent (40%) portion of the cost of the battery.

#### **DEDUCTIBLE**

For each **loss** that qualifies for coverage under Comprehensive, Collision, or Fire and Theft with Combined Additional Coverage, the deductible shown on the **Declarations Page** for the **insured auto** will be applied. A separate deductible applies to each **insured auto**, whether trailers or power units, involved in the **loss**.

If your **insured auto** is an additional **auto** that you have requested to be added to your policy within thirty (30) days of your acquisition of the **auto**, and no deductible has been designated for the additional **auto** prior to the **loss**, then:

1. when the **insured auto** is a **private passenger auto**, we will apply the lowest deductible listed for any one **auto** listed on the **Declarations Page**; or
2. when the **insured auto** is an **auto** other than a **private passenger auto**, we will apply the highest deductible listed for any one **auto** listed on the **Declarations Page**.

No deductible will apply to a **loss** to window glass when the glass is repaired instead of replaced.

#### **SALVAGE**

If we pay the actual cash value of your **insured auto** less the deductible, or if we pay the amount necessary to replace your **insured auto** less the deductible, we are entitled to all salvage. If your **insured auto** is a **total loss** and we pay the applicable Limit of Liability or Stated Amount as shown on the **Declarations Page** less the deductible, we are entitled to the same percent of salvage as our payment bears to the actual cash value of your **insured auto**.

#### **NO BENEFIT TO BAILEE**

No bailee or carrier shall benefit, directly or indirectly, from this **PART II - DAMAGE TO YOUR AUTO**.



### APPRAISAL

If we cannot agree with **you** on the amount of **your loss**, then **you** or **we** may demand an appraisal of the **loss**. Each party shall appoint a competent and disinterested appraiser. If the appraisers agree on the amount of the **loss**, they shall submit a written report to **us** and this shall be deemed to be the amount of the **loss**.

If the appraisers cannot agree on the amount of the **loss** within a reasonable time, they shall then choose a competent, impartial umpire, provided that if they cannot agree on an umpire within fifteen (15) days, either **you** or **we** may petition a judge of a court having jurisdiction to choose an umpire. The disagreement of the appraisers shall then be submitted to the umpire. Subject to the provisions of the policy, a written agreement signed by both appraisers or by one appraiser and the umpire will be the amount of the **loss**.

**You** must pay **your** fees and expenses and those of **your** appraiser. **We** will pay **our** fees and expenses and those of **our** appraiser. All other expenses of the appraisal, including payment of the umpire if one is necessary, will be shared equally by **you** and **us**.

By agreeing to an appraisal, **we** do not waive any of **our** rights under any other part of this policy, including **our** right to deny the claim.

### PAYMENT OF LOSS

At **our** option, **we** may pay the **loss** in money, or repair or replace the damaged or stolen property. **We** may, at any time before the **loss** is paid or the property is replaced, return, at **our** expense, any stolen property either to **you** or to the address shown on the **Declarations Page**, with payment for the resulting damage less any applicable deductibles. **We** may keep all or part of the property at the agreed or appraised value, but there shall be no abandonment to **us**.

**We** may make payment for a **loss** either to **you** or the owner of the property. Payment for a **loss** is required only if **you** have fully complied with the terms of this policy.

### LOSS PAYEE AGREEMENT

**We** will pay the Loss Payee named in the policy for **loss** to **your insured auto**, as the interest of the Loss Payee may appear.

This insurance covers the interest of the Loss Payee unless the **loss** results from fraudulent acts or omissions on **your** part.

Cancellation ends this agreement as to the Loss Payee's interest.

If **we** make any payment to the Loss Payee, **we** will obtain the Loss Payee's rights against any other party.

## GENERAL PROVISIONS

### 1. Policy Period and Territory

This policy applies only to **accidents** and **losses** occurring during the policy period shown on the **Declarations Page** and which occur within any state, territory, or possession of the United States of America, Puerto Rico, or any province or territory of Canada, or while an **insured auto** is being transported between their ports.

### 2. Policy Changes

This policy, **your** insurance application (which is made a part of this policy as if attached hereto), the **Declarations Page**, as amended, and endorsements to this policy issued by **us** contain all the agreements between **you** and **us**. Subject to the following, its terms may not be changed or waived except by an endorsement issued by **us**.

The premium for this policy is based on information **we** have received from **you** or other sources. **You** agree to cooperate with **us** in determining if this information is correct and complete, and **you** will notify **us** if it changes during the policy period. If this information is incorrect, incomplete, or changes during the policy period, **we** may adjust **your** premium during the policy period, or take other appropriate action. In the event **we** discover that additional premium is due when **we** adjust a claim under PART II - DAMAGE TO YOUR AUTO, **you** agree that such premium may be deducted from the amount of payment otherwise due if such payment is to benefit **you** either directly or indirectly.

Changes that may result in a premium adjustment include, but are not limited to, changes in:

- a. the number, type, or use classification of **insured autos**;
- b. operators using **insured autos**, their ages, driving histories, or marital status;
- c. the place of principal garaging of any **insured auto**;
- d. coverage, deductibles, or limits of liability; or
- e. rating territory or discount eligibility.

Nothing contained in this section will limit **our** right to void this policy for fraud, misrepresentation or concealment of any material fact by **you**, or anyone acting on **your** behalf.

### 3. Other Insurance

- a. For any **insured auto** that is specifically described on the **Declarations Page**, this policy provides primary coverage. For an **insured auto** which is not specifically described on the **Declarations Page**, coverage under this policy will be excess over any and all other valid and collectible insurance, whether primary, excess or contingent. However, if the **insured auto** which is

specifically described on the **Declarations Page** is a trailer, this policy will be primary only if the trailer is attached to an insured auto that is a power unit you own and is specifically described on the **Declarations Page**, and excess in all other circumstances.

- b. If coverage under more than one policy applies on the same basis, either excess or primary, we will pay only our proportionate share. Our proportionate share is the proportion that the Limit of Liability of this policy bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

#### 4. Two or More Policies Issued By Us

If any applicable insurance other than this policy is issued to you by us, or any company affiliated with us, and applies to the same accident or loss, the total amount payable among all such policies shall not exceed the limits provided by the single policy with the highest limits of liability.

#### 5. Suit Against Us

We may not be sued unless there is full compliance by you or an insured with all the terms of this policy. We may not be sued under PART I - LIABILITY TO OTHERS until the obligation of an insured to pay is finally determined by judgment against that insured after actual trial or by written agreement of the insured, the claimant, and us.

#### 6. Our Recovery Rights

In the event of any payment under this policy, we are entitled to all the rights of recovery of the person or organization to whom payment was made. That person or organization must sign and deliver to us any legal papers relating to that recovery, do whatever else is necessary to help us exercise those rights, and do nothing after the loss or accident to harm our rights.

When a person has been paid damages by us under this policy and also recovers from another, the amount recovered from the other shall be held in trust for us and reimbursed to us to the extent of our payment, provided that the person to or on behalf of whom such payment is made is fully compensated for their loss.

In the event recovery has already been made from the responsible party, any rights to recovery by the person(s) claiming coverage under this policy no longer exist.

#### 7. Assignment

Interest in this policy may not be assigned without our written consent. If the policyholder named on the **Declarations Page** is a natural person and that person dies, the policy will cover:

- a. any other named insured on the policy;

- b. the legal representative of the deceased person while acting within the scope of duty of a legal representative; and
- c. any person having proper custody of your insured auto until a legal representative is appointed, but in no event for more than thirty (30) days after the date of death.

**8. Waiver**

Notice to any agent or knowledge possessed by any agent or other person shall not change or effect a waiver on any portion of this policy nor prevent us from exercising any of our rights under this policy.

**9. Bankruptcy**

We are not relieved of any obligation under this policy because of the bankruptcy or insolvency of an insured.

**10. Inspection and Audit**

We shall have the right to inspect your property and operations at any time. This includes, but is not limited to, the right to inspect and audit the maintenance of any autos covered hereunder, the identity of your drivers and their driving records, and your radius of operations. In doing so, we do not warrant that the property or operations are safe and healthful, or are in compliance with any law, rule or regulation.

We shall also have the right to examine and audit your books and records at any time during the policy period and any extensions of that period and within three (3) years after termination of the policy, as far as they relate to the subject matter of this insurance.

**11. Fraud, Misrepresentation and Concealment**

This policy shall be void in any case of fraud by you, or anyone acting on your behalf, at any time as it relates to the policy. We may deny coverage for an accident or loss if you or any other insured knowingly concealed or misrepresented any material fact or circumstance or engaged in fraudulent conduct in connection with the presentation or settlement of a claim. We reserve all rights to indemnity against a person committing fraud or misrepresentation for all payments made and costs incurred.

**12. Liberalization**

If we make a change that broadens a coverage you have under this edition of your policy without additional charge, you will receive the broadened coverage. The broadened coverage applies on the date the coverage change is implemented in your state. This provision does not apply to a general program revision or

our issuance of a subsequent edition of your policy. Otherwise, this policy can be changed only by endorsement issued by us.

**13. Severability**

Except with respect to the Limit of Liability, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or lawsuit is brought.

**14. Settlement of Claims**

We may use estimating, appraisal, or injury evaluation systems to adjust claims under this policy and to determine the amount of damages, expenses, or loss payable under this policy. Such systems may be developed by us or a third party and may include computer software, databases, and specialized technology.

Form 6912 (03/05)

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Form 1797 (06/04)

**CONTINGENT LIABILITY ENDORSEMENT LIMITED LIABILITY  
COVERAGE FOR NON-TRUCKING USE OF AN AUTOMOBILE**

Except as specifically modified in this endorsement, all provisions of the Commercial Auto Policy apply.

We agree with you that the insurance provided under your Commercial Auto Policy is modified as follows:

We agree with you that the provisions of the policy relating to **Bodily Injury Liability** and **Property Damage Liability** are subject to the following limitations:

Liability coverage for an **Insured auto** described in the **Declarations** is changed as follows:

1. These coverages do not apply when the **insured auto** is being operated, maintained or used for or on behalf of anyone else or any organization whether or not for compensation.
2. These coverages do not apply when the **insured auto** is being used to transport goods or merchandise, or while the goods or merchandise are being loaded or unloaded from the **insured auto**.

**ALL OTHER TERMS, LIMITS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.**

Form 1890 (03/08)

**EMPLOYER'S NON-OWNERSHIP LIABILITY ENDORSEMENT**

Except as specifically modified in this endorsement, all provisions of the Commercial Auto Policy apply.

We agree with you that the insurance provided under your Commercial Auto Policy is modified as follows:

**ADDITIONAL DEFINITION USED IN THIS ENDORSEMENT**

If you pay a premium for this Employer's Non-Ownership Liability coverage, then the following definition is added:

"Non-owned auto" means an auto that you do not own, lease, hire, rent, or borrow, and that is used in connection with your business. This includes autos owned by your employees, partners (if you are a partnership), members (if you are a limited liability

company), or members of their households, but only while such autos are used in your business or your personal affairs.

#### **CHANGES TO PART I - LIABILITY TO OTHERS**

The definition of **insured auto** is modified to include a **non-owned auto**. The definition of **insured** does not include the owner of a **non-owned auto**.

#### **EXCLUSIONS**

The Insurance provided by this endorsement does not apply to **bodily injury or property damage** arising out of the ownership, maintenance or use of any **non-owned auto** in the conduct of any partnership or joint venture of which **you** are a partner or member and which is not shown as the named insured on the **Declarations Page**.

#### **OTHER INSURANCE**

The insurance provided by this endorsement is excess over any other valid and collectible insurance.

#### **PREMIUM AGREEMENT**

The premium for this Employer's Non-Ownership Liability coverage is based, in part, on the number of **your** employees. We may audit the number of employees and charge appropriately for additional premium up to three years after the policy expiration.

This does not alter or limit our general audit rights under the General Provisions section of this policy.

#### **ALL OTHER TERMS, LIMITS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.**

Form 1891 (03/08)

#### **HIRED AUTO COVERAGE ENDORSEMENT**

Except as specifically modified in this endorsement, all provisions of the Commercial Auto Policy apply.

We agree with **you** that the insurance provided under **your** Commercial Auto Policy is modified as follows:

#### **ADDITIONAL DEFINITIONS USED IN THIS ENDORSEMENT**

If **you** pay a premium for this Hired Auto Coverage, then the following definitions are added:

1. "**Hired auto**" means an **auto you** lease, hire, rent or borrow. This does not include any **auto you** lease, hire, rent or borrow from any of **your** employees, partners (if



you are a partnership), members (if you are a limited liability company) or member of their households.

2. "Cost of hire" means the total amount paid by you for the hire of autos, including charges for services performed by motor carriers of property or passengers that are subject to the compulsory requirements of any motor carrier laws or regulations.

#### **CHANGES TO PART I – LIABILITY TO OTHERS**

When used in Part I – Liability To Others, the definition of insured auto is amended to include a hired auto.

#### **OTHER INSURANCE**

The insurance provided by this Hired Auto Coverage endorsement is excess over any other valid and collectible insurance, whether primary, excess, or contingent.

#### **PREMIUM AGREEMENT**

The premium for this Hired Auto Coverage is based on the cost of hire, and is subject to a minimum cost of hire. We may audit the cost of hire and charge appropriately for additional premium for up to three years after the policy expiration.

This does not alter or limit our general audit rights under the General Provisions section of this policy.

**ALL OTHER TERMS, LIMITS, AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.**

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Form 2852 OH (09/04)

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#### **UNINSURED/UNDERINSURED MOTORIST COVERAGE ENDORSEMENT**

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Except as specifically modified in this endorsement, all provisions of the Commercial Auto Policy apply.

We agree with you that the Insurance provided under your Commercial Auto Policy is modified as follows:

#### **INSURING AGREEMENT - UNINSURED/UNDERINSURED MOTORIST BODILY INJURY COVERAGE**

Subject to the limits of liability, if you pay the premium for Uninsured/Underinsured Motorist Bodily Injury Coverage, we will pay for damages, other than punitive or exemplary damages, which an insured is legally entitled to recover from the owner or operator of an uninsured auto or underinsured auto because of bodily injury:

1. sustained by an insured;
2. caused by an accident; and

3. arising out of the ownership, maintenance, or use of an **uninsured auto** or **underinsured auto**.

**INSURING AGREEMENT - UNINSURED MOTORIST  
PROPERTY DAMAGE COVERAGE**

Subject to the limits of liability, if you pay the premium for Uninsured Motorist Property Damage Coverage, we will pay damages, other than punitive or exemplary damages, which an **insured** is entitled to recover from the **owner** or operator of an **uninsured auto** due to **property damage**:

1. caused by an **accident**; and
2. arising out of the operation, maintenance or use of an **uninsured auto**.

We will pay under this endorsement only after the limits of liability under all applicable **bodily injury** liability bonds and policies have been exhausted by payment of judgments or settlements.

An **insured** must give us reasonable notice in writing before entering into any settlement with the **owner** or operator of an **uninsured auto** or **underinsured auto**, or that person's liability insurer. In order to preserve our right of subrogation, we may elect to pay any sum offered in settlement by, or on behalf of, the **owner** or operator of the **uninsured auto** or **underinsured auto**. If we do this, you agree to assign to us all rights that you have against the **owner** or operator of the **uninsured auto** or **underinsured auto**.

Determination as to whether an **insured** is legally entitled to recover damages and as to the amount of damages will be made by agreement between the **insured** and us. If no agreement is reached, any lawsuit against us for benefits under this endorsement must be commenced within three (3) years after the date the **accident** occurred. However, if the motorized vehicle that caused the **bodily injury** or **property damage** is an **uninsured auto** due to the solvency of a bonding or insurance company, then any lawsuit against us for benefits under this endorsement must be commenced within three (3) years after the date of the **accident** or within one (1) year after the insolvency, whichever is later.

**ADDITIONAL DEFINITIONS**

When used in this endorsement, whether in the singular, plural, or possessive:

1. "**Auto**" means a self-propelled motorized vehicle designed for use, and principally used, on public roads, including an automobile, truck, semi-tractor, motorcycle and bus. An "**auto**" does not include a trolley, streetcar, railroad engine, railroad car, motorized bicycle, golf cart, off-road recreation vehicle, snowmobile, forklift, aircraft, watercraft, construction equipment, farm tractor or other motorized vehicle designed and principally used for agricultural purposes, mobile home, motorized vehicle traveling on treads or rails, or any similar motorized vehicle.
2. "**Insured**" means:
  - a. if the named insured shown on the **Declarations Page** is a natural person:
    - (i) **you** or a **relative**; and

- (ii) any person **occupying your insured auto** or a **temporary substitute auto**; or
  - b. if the named insured shown on the **Declarations Page** is a corporation, partnership, organization or any other entity that is not a natural person, any person **occupying your insured auto** or **temporary substitute auto**.
- 3. **"Owned"** means the person:
  - a. holds legal title to the vehicle;
  - b. has legal possession of the vehicle that is subject to a written security agreement with an original term of six (6) months or more; or
  - c. has legal possession of the vehicle that is leased to that person under a written agreement for a continuous period of six (6) months or more.
- 4. **"Owner"** means the person who, with respect to a vehicle:
  - a. holds legal title to the vehicle;
  - b. has legal possession of the vehicle that is subject to a written security agreement with an original term of six (6) months or more; or
  - c. has legal possession of the vehicle that is leased to that person under a written agreement for a continuous period of six (6) months or more.
- 5. **"Property damage"** means physical damage to or destruction of, an **insured auto**.
- 6. **"Underinsured auto"** means an **auto** to which a **bodily injury** liability bond or policy applies at the time of the **accident**, but its limit of liability for **bodily injury**:
  - a. is less than the coverage limit for Underinsured Motorist Coverage shown on the **Declarations Page**; or
  - b. has been reduced by payments for **bodily injury** to persons injured in the **accident**, other than an **insured**, to less than the coverage limit for Underinsured Motorist Coverage shown on the **Declarations Page**.

An **"underinsured auto"** does not include any vehicle or equipment:

- a. **owned** by, furnished to or available for the regular use of you and, if the named insured is a natural person, a **relative**;
  - b. **owned** by any governmental unit or political subdivision, unless the operator of the **auto** has an immunity under Chapter 2744 of the Ohio Revised Code that could be raised as a defense in an action brought against the operator by the **insured**;
  - c. that is an **insured auto** or **temporary substitute auto**; or
  - d. that is an **uninsured auto**.
7. **"Uninsured auto"** means an **auto**:
- a. to which no liability bond or policy applies at the time of the **accident**;
  - b. to which a liability bond or policy applies at the time of the **accident**, but the bonding or insuring company:
    - (i) denies coverage; or
    - (ii) is or becomes insolvent;
  - c. whose operator or owner cannot be identified and which causes an **accident** resulting in **bodily injury** to an **insured** provided that:
    - (i) the **insured**, or someone on his or her behalf, reports the **accident** to the police or civil authority within twenty-four (24) hours or as soon as practicable after the **accident**; and

- (ii) independent corroborative evidence exists to prove that the **bodily injury** was proximately caused by the unidentified operator of the **auto**. The testimony of an **insured** seeking payment under this endorsement shall not constitute independent corroborative evidence unless the testimony is supported by additional evidence. **We will not pay for property damage unless there is actual physical contact between a hit-and-run auto and the insured auto;**
- d. whose **owner** or operator has diplomatic immunity; or
- e. whose **owner** or operator has immunity under Chapter 2744 of the Ohio Revised Code (relating to certain political subdivisions operating a fire department, police department or emergency medical service).

An "**uninsured auto**" does not include any motorized auto or equipment:

- a. **owned by**, furnished to or available for the regular use of **you** and, if the named insured is a natural person, a **relative**;
- b. **owned** or operated by a self-insurer under any applicable vehicle law, except a self-insurer that is or becomes insolvent;
- c. **while being used as a residence or premises**;
- d. that is an **insured auto** or **temporary substitute auto**; or
- e. that is an **underinsured auto**.

**EXCLUSIONS - READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS ENDORSEMENT.**

1. Coverage under this endorsement is not provided for **bodily injury** or **property damage** sustained by any person:
  - a. while operating or **occupying** an **auto** or device of any type designed to be operated on the public roads that is **owned by**, furnished to, or available for the regular use of **you** and, if the named insured is a natural person, a **relative**, other than an **insured auto** or **temporary substitute auto**;
  - b. while operating or **occupying** an **auto** without a reasonable belief of being entitled to do so;
  - c. while operating an **auto** without a driver's license if the person is not listed as a driver on **your** policy;
  - d. while operating an **auto** with a driver's license that has been suspended or revoked if the person is not listed as a driver on **your** policy; or
  - e. who sustains a **bodily injury** caused by an **auto** operated by any person who is specifically excluded from coverage under Part I - Liability To Others pursuant to a Named Driver Exclusion Endorsement or under any other provision of this policy.
2. Coverage under this endorsement is not provided for **bodily injury** sustained by any person:
  - a. who is an employee, officer, director, partner, trustee, member, executor, administrator, or beneficiary of **you** and, if the named insured is a natural per-

- son, a relative, that sustains **bodily injury** while operating or occupying an auto other than an insured auto or temporary substitute auto; or
- b. presenting a claim for **bodily injury** to a person who is not an insured under this policy.

3. Coverage under this endorsement is not provided for **property damage**:
  - a. resulting from any pre-arranged or organized racing, speed or demolition contest, stunting activity or in practice or preparation for any such contest or activity;
  - b. due to a nuclear reaction or radiation;
  - c. for which insurance is afforded under a nuclear energy liability insurance contract;
  - d. to a trailer or temporary substitute auto;
  - e. unless there is actual physical contact between the uninsured auto and the insured auto;
  - f. caused by any intentional act by an insured or at the direction of an insured;
  - g. for loss of use;
  - h. for damage to property you own contained in the insured auto; or
  - i. if the owner or operator of the uninsured auto has not been identified.

#### **LIMITS OF LIABILITY**

Regardless of the number of premiums paid, or the number of insured autos or trailers shown on the **Declarations Page**, or the number of policies issued by us, or the number of vehicles or insureds involved in the accident, or the number of claims or lawsuits arising out of an accident, we will pay no more than the limit of liability shown for Uninsured/Underinsured Motorist Coverage on the **Declarations Page**.

If the **Declarations Page** shows that "combined single limit" or "CSL" applies, the amount shown is the most we will pay for the total of all damages resulting from any one accident. However, without changing this total "each accident" limit of liability, we will comply with any law that requires us to provide any separate limits.

If your **Declarations Page** shows a split limit:

1. the amount shown for "each person" is the most we will pay for all damages due to a **bodily injury** to one person;
2. subject to the "each person" limit, the amount shown for "each accident" is the most we will pay for all damages due to **bodily injury** sustained by two or more persons in any one accident; and
3. any amount shown for "property damage" is the most we will pay for the aggregate of all **property damage** caused by any one accident.

The "each person" limit of liability includes the total of all claims made for **bodily injury** to an insured and all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

**Our limit of liability under this endorsement for property damage to an insured auto arising out of one accident is the least of:**

1. the actual cash value of the **insured auto** at the time of the **accident**, reduced by the deductible shown on the **Declarations Page** and by its salvage value if you retain the salvage;
2. the amount necessary to replace the **insured auto**, reduced by the deductible shown on the **Declarations Page**;
3. the amount necessary to repair the **insured auto** to its pre-loss condition, reduced by the deductible shown on the **Declarations Page**; or
4. any limit of liability shown on the **Declarations Page** for "property damage" under this endorsement, reduced by the deductible shown on the **Declarations Page** and by the salvage value of the **insured auto** if you retain the salvage.

The limits of liability under this endorsement shall be reduced by all sums:

1. paid because of **bodily injury** by or on behalf of any persons or organizations that may be legally responsible, including, but not limited to, all sums paid under Part I - Liability To Others; and
2. any other amounts available for payment for **bodily injury or property damage** under liability bonds and policies covering persons liable to the **insured**.

Payments for **property damage** under this endorsement are subject to the following provisions:

1. no more than one deductible shall be applied to any one **accident**; and
2. an adjustment for depreciation or physical condition, which may also be referred to as betterment, wear and tear, or prior damage, will be made in determining the limit of liability.

Any payment made to a person under this endorsement shall reduce any amount that the person is entitled to recover under Part I - Liability To Others.

No one will be entitled to duplicate payments for the same elements of damages.

Any judgment or settlement for damages against an operator or owner of an **uninsured auto** or **underinsured auto** which arises out of a lawsuit brought without our written consent is not binding on us.

#### **OTHER INSURANCE**

Coverage under this endorsement may not be stacked with other uninsured motorist or underinsured motorist coverage. If there is other applicable uninsured motorist or underinsured motorist coverage, the maximum an **insured** may recover under all applicable uninsured or underinsured motorist coverages is the highest applicable limit of liability for one **auto** under one of the available policies, even though separate premiums may have been paid for each policy.

If there is other applicable uninsured or underinsured motorist coverage, we will pay only **our** share of the damages. **Our** share is the proportion that **our** limit of liability

bears to the total of all available coverage limits. However, any insurance we provide shall be excess over any other uninsured or underinsured motorist coverage, except for **bodily injury to you** and, if the named insured is a natural person, a **relative**, when occupying an **insured auto** or **temporary substitute auto**.

We will not pay for any damages which would duplicate any payment made for damages under other insurance.

Any insurance we provide for **property damage** shall be excess over any other **property damage** insurance.

**ALL OTHER TERMS, LIMITS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.**

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Form 4757 (08/04)

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**MEDICAL PAYMENTS COVERAGE ENDORSEMENT**

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Except as specifically modified in this endorsement, all provisions of the Commercial Auto Policy apply.

We agree with **you** that the insurance provided under **your** Commercial Auto Policy is modified as follows:

**INSURING AGREEMENT**

Subject to the limits of liability, if **you** pay the premium for Medical Payments Coverage, we will pay the **usual and customary charge** for reasonable and necessary expenses, incurred within three (3) years from the date of an **accident**, for medical and funeral services because of **bodily injury**:

1. sustained by an **insured**;
2. caused by an **accident**; and
3. arising out of the ownership, maintenance or use of a motor vehicle or **trailer**.

Any dispute as to the **usual and customary charge** will be resolved between the service provider and **us**.

**ADDITIONAL DEFINITIONS**

When used in this endorsement, whether in the singular, plural, or possessive:

1. **"Insured"** means:
  - a. if the named insured shown on the **Declarations Page** is a natural person:
    - (i) **you** while **occupying** any **auto**, other than an **auto owned by you** which is not an **insured auto**;
    - (ii) a **relative** while **occupying** an **insured auto**, **temporary substitute auto**, or **non-owned auto**;

- (iii) you or any relative when struck by a land motor vehicle of any type or a trailer while not occupying a motor vehicle; and
- (iv) any other person while occupying an insured auto, temporary substitute auto, or trailer while attached to an insured auto; or
- b. If the named insured shown on the Declarations Page is a corporation, partnership, organization or any other entity that is not a natural person, any person occupying your insured auto, temporary substitute auto, or trailer while attached to an insured auto.
- 2. "Non-owned auto" means any auto that is not owned by you or furnished for your regular use and, if the named insured is a person, not owned by or furnished for the regular use of the named insured's non-resident spouse or a relative.
- 3. "Owned" means the person:
  - a. holds legal title to the vehicle;
  - b. has legal possession of the vehicle that is subject to a written security agreement with an original term of six (6) months or more; or
  - c. has legal possession of the vehicle that is leased to that person under a written agreement for a continuous period of six (6) months or more.
- 4. "Owner" means the person who, with respect to a vehicle:
  - a. holds legal title to the vehicle;
  - b. has legal possession of the vehicle that is subject to a written security agreement with an original term of six (6) months or more; or
  - c. has legal possession of the vehicle that is leased to that person under a written agreement for a continuous period of six (6) months or more.
- 5. "Usual and customary charge" means an amount which we determine represents a customary charge for services in the geographical area in which the service is rendered. We shall determine the usual and customary charge through the use of independent sources of our choice.

**EXCLUSIONS - READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS ENDORSEMENT.**

Coverage under this Endorsement does not apply to **bodily injury**:

- 1. sustained while occupying any auto or trailer while being used as a residence or premises;
- 2. occurring during the course of employment if workers' compensation coverage should apply;
- 3. arising out of an accident involving an auto or trailer while being used by a person while employed or engaged in the business of selling, leasing, repairing, parking, storing, servicing, delivering, or testing vehicles, unless that business is yours;
- 4. resulting from any pre-arranged or organized racing, speed or demolition contest, stunting activity, or in practice or preparation for any such contest or activity;
- 5. due to a nuclear reaction or radiation;
- 6. for which insurance is afforded under a nuclear energy liability insurance contract;



7. for which the United States Government is liable under the Federal Tort Claims Act;
8. sustained by any person while **occupying** an **insured auto**, **temporary substitute auto**, or **trailer** without the express or implied permission of you or, if the named insured is a person, a relative;
9. sustained by any person while **occupying** a **non-owned vehicle** without the express or implied permission of the owner;
10. that is intentionally inflicted on an **insured** at that person's request or self-inflicted; or
11. sustained while **occupying** any vehicle that has less than four wheels or is not designed for operation principally upon public roads.

#### **LIMITS OF LIABILITY**

Regardless of the number of premiums paid, or the number of **insured autos** or trailers shown on the **Declarations Page**, or the number of policies issued by us, or the number of vehicles or **insureds** involved in an **accident**, or the number of claims or lawsuits arising out of an **accident**, we will pay no more than the limit of liability shown for Medical Payments Coverage on the **Declarations Page**.

Any amount payable to an **insured** under this endorsement will be reduced by any amount paid or payable for the same expense under Part I - Liability To Others or any applicable Uninsured/Underinsured Motorist Coverage endorsement.

No one will be entitled to duplicate payments under this policy for the same elements of damages.

#### **OTHER INSURANCE**

If there is other applicable auto medical payments insurance, we will pay only our share of the medical and funeral services. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide for an **insured occupying**:

1. an **auto**, other than an **insured auto** or **temporary substitute auto**; or
  2. **trailer**, other than a **trailer** while connected to an **insured auto**;
- will be excess over any other **auto** or **trailer** insurance providing payments for medical or funeral expenses.

**ALL OTHER TERMS, LIMITS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.**

Form 4852 OH (09/04)

### **CANCELLATION AND NONRENEWAL ENDORSEMENT**

Except as specifically modified in this endorsement, all provisions of the Commercial Auto Policy apply.

**We agree with you that the insurance provided under your Commercial Auto Policy is modified as follows:**

#### **CANCELLATION**

**You may cancel this policy by calling or writing us and stating the future date that you wish the cancellation to be effective.**

**We may cancel this policy by mailing a notice of cancellation to the named insured shown on the Declarations Page at the last known address appearing in our records. If we cancel this policy during the first eighty-nine (89) days of the initial policy period, or if we cancel this policy at any time due to nonpayment of premium, notice of cancellation will be mailed at least ten (10) days before the effective date of cancellation. After this policy has been in effect for eighty-nine (89) days, notice of cancellation due to any reason other than nonpayment of premium will be mailed at least thirty (30) days before the effective date of cancellation.**

**We may cancel this policy for any reason within the first eighty-nine (89) days of the initial policy period.**

**After this policy is in effect for more than eighty-nine (89) days, or if this is a renewal or continuation policy, we may only cancel for one or more of the following reasons:**

- 1. you do not pay the required premium for this policy when due;**
- 2. misrepresentation by you of any material fact in the procurement of this policy or in the submission of any claim under this policy;**
- 3. discovery of moral hazards or willful or reckless acts or omissions on your part that increase any hazard we insure against;**
- 4. the occurrence of a change in the individual risk which substantially increases any hazard we insure against after insurance has been issued or renewed, except to the extent that we should reasonably have foreseen the change or contemplated the risk in writing the policy;**
- 5. loss of applicable reinsurance or a substantial decrease in the applicable reinsurance, if the superintendent of insurance has determined that reasonable efforts have been made to prevent the loss of, or substantial decrease in, the applicable reinsurance, or to obtain replacement coverage;**
- 6. failure of an insured to correct material violations of safety codes or to comply with reasonable written loss control recommendations;**
- 7. determination by the superintendent of insurance that continuing the policy would create a condition hazardous to the policyholders or the public; or**
- 8. any other reason specified by law.**

With respect to cancellation, this policy is neither severable nor divisible. Any cancellation will be effective for all coverage for all persons and all autos.

If this policy is canceled, coverage will not be provided as of the effective date and time shown in the notice of cancellation.

#### **CANCELLATION REFUND**

Upon cancellation, you may be entitled to a premium refund.

If this policy is canceled, any refund due will be computed on a daily pro-rata basis.

#### **NONRENEWAL**

If we decide not to renew or continue this policy, we will mail notice of nonrenewal to the first named insured shown on the **Declarations Page** at the last known address appearing in our records. Notice will be mailed at least thirty (30) days before the end of the policy period.

#### **PROOF OF NOTICE**

Proof of mailing of any notice will be sufficient proof of notice.

**ALL OTHER TERMS, LIMITS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.**

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Form 4881 OH (08/05)

#### **OHIO AMENDATORY ENDORSEMENT**

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Except as specifically modified in this endorsement, all provisions of the Commercial Auto Policy apply.

We agree with you that the insurance provided under your Commercial Auto Policy is modified as follows:

#### **PART II - DAMAGE TO YOUR AUTO**

The following is added to the Limit of Liability provision in Part II - Damage To Your Auto:

Any reduction under this provision for betterment:

1. is limited to the amount that represents a measurable decrease in market value; or
2. may not exceed the replacement costs of any missing part or parts.

#### GENERAL PROVISIONS

- A. Subsection 1 - Policy Period And Territory is amended to include the following:

The coverage provided by this policy is in accordance with the coverage defined in Sections 4509.01 to 4509.78, inclusive, of the Ohio Revised Code, with respect to **bodily injury or property damage**, or both, and is subject to such sections.

- B. Subsection 11 - Fraud, Misrepresentation and Concealment is deleted and replaced by the following:

#### FRAUD, MISREPRESENTATION AND CONCEALMENT

We may void this policy if you or any other insured:

1. made incorrect statements or representations to us with regard to any material fact or circumstance;
  2. concealed or misrepresented any material fact or circumstance (including, but not limited to, material misrepresentation regarding: license or driving history of you, a relative, or any person listed as a driver on the **Declarations Page**; the description of the **autos to be insured**; or the location of the principal place of garaging); or
  3. engaged in fraudulent conduct;
- at the time of application. We may void this policy due to fraud, misrepresentation, or an incorrect statement of a material fact in the application, even after the occurrence of an **accident or loss**. This means that we will not be liable for any claims or damages which would otherwise be covered.

However, this shall not affect coverage under Part I - Liability To Others of this policy up to the minimum limits required by the financial responsibility law of the State of Ohio for an **accident** that occurs before we notify the named insured that the policy is void. If we void this policy, you must reimburse us if we make a payment.

We may deny coverage for an **accident or loss** if you or any other insured have knowingly concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

No person who engages in fraudulent conduct in connection with an **accident or claim** shall be entitled to receive any payment under this policy.

If we void this policy, it will be void from its inception (void ab initio), as if the policy never took effect.

**ALL OTHER TERMS, LIMITS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.**

Form Z228 (07/05)

### MOBILE EQUIPMENT AS INSURED AUTOS ENDORSEMENT

Except as specifically modified in this endorsement, all provisions of the Commercial Auto Policy apply.

We agree with you that the insurance provided under your Commercial Auto Policy is modified as follows:

#### PART I - LIABILITY TO OTHERS

**ADDITIONAL DEFINITIONS USED IN THIS PART ONLY** is modified as follows:

- B. When used in PART I - LIABILITY TO OTHERS, **insured auto** also includes:
1. Trailers, with a load capacity of 2,000 pounds or less and designed primarily for travel on public roads, while connected to your insured auto that is a power unit;
  2. Mobile equipment while being carried or towed by an insured auto;
  3. Any temporary substitute auto; and
  4. Any mobile equipment owned by you, or if you have purchased Hired Auto or Non-owned Auto coverage, leased or hired by you, when subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state or province where it is licensed or principally garaged. This does not change the effect of exclusion 13 concerning the operation of mobile equipment.

#### MEDICAL PAYMENTS COVERAGE

If you pay the premium for Medical Payments Coverage, that endorsement is modified as follows:

#### ADDITIONAL DEFINITIONS

The definition of "Insured" is deleted and replaced by:

**"Insured" means:**

- a. if the named insured shown on the **Declarations Page** is a natural person:
  - (i) you while occupying any auto, other than an auto owned by you which is not an insured auto;
  - (ii) a relative while occupying an insured auto, temporary substitute auto, or non-owned auto;
  - (iii) you or any relative when struck by a land motor vehicle of any type, or a trailer, while not occupying a motor vehicle; and
  - (iv) any other person while occupying an insured auto, temporary substitute auto, or a trailer while attached to an insured auto; or

- b. if the named insured shown on the **Declarations Page** is a corporation, partnership, organization or any other entity that is not a natural person, any person occupying your insured auto, temporary substitute auto, or a trailer while attached to an insured auto.

For purposes of this definition, **insured auto** includes mobile equipment owned by you, or if you have purchased Hired Auto or Non-owned Auto coverage, leased or hired by you, when it is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state or province where it is licensed or principally garaged.

#### **UNINSURED MOTORIST AND UNDERINSURED MOTORIST COVERAGES**

If you pay the premium for Uninsured Motorist Coverage and/or Underinsured Motorist Coverage, that endorsement is modified as follows:

#### **ADDITIONAL DEFINITIONS**

The definition of "**Insured**" is deleted and replaced by:

**"Insured"** means:

- a. if the named insured shown on the **Declarations Page** is a natural person:
  - (i) you or a relative;
  - (ii) any person occupying your insured auto or a temporary substitute auto; and
  - (iii) any person who is entitled to recover damages covered by this endorsement because of **bodily injury** sustained by a person described in (i) or (ii) above; or
- b. if the named insured shown on the **Declarations Page** is a corporation, partnership, organization or any other entity that is not a natural person:
  - (i) any person occupying your insured auto or a temporary substitute auto; and
  - (ii) any person who is entitled to recover damages covered by this endorsement because of **bodily injury** sustained by a person described in (i) above.

For purposes of this definition, **insured auto** includes mobile equipment owned by you, or if you have purchased Hired Auto or Non-owned Auto coverage, leased or hired by you, when it is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state or province where it is licensed or principally garaged.

**ALL OTHER TERMS, LIMITS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.**

Form Z438 (11/07)

**GARAGE OPERATIONS PHYSICAL DAMAGE  
LEGAL LIABILITY COVERAGE ENDORSEMENT**

This endorsement modifies **your** Commercial Auto Policy. Except as specifically modified by this endorsement, all provisions of the Commercial Auto Policy apply.

**THIS ENDORSEMENT APPLIES ON A LEGAL LIABILITY BASIS UNLESS ONE OF THE DIRECT COVERAGE OPTIONS LISTED BELOW IS SHOWN ON YOUR DECLARATIONS PAGE.**

**DIRECT COVERAGE OPTIONS**

**Direct Excess Insurance.** If this "Direct Excess" option is shown on **your declarations page**, the On-Hook Towing Physical Damage Legal Liability and Garagekeepers Storage Location Physical Damage Legal Liability coverages provided by this endorsement are modified to apply without regard to **your** or any other insured's legal liability for loss to a **customer's auto or towed property**, and is excess over any other collectible insurance regardless of whether the other insurance covers **your** or any other insured's interest or the interest of the owner of the **customer's auto or towed property**.

**Direct Primary Insurance.** If this "Direct Primary" option is shown on **your declarations page**, the On-Hook Towing Physical Damage Legal Liability and Garagekeepers Storage Location Physical Damage Legal Liability coverages provided by this endorsement are modified to apply without regard to **your** or any other insured's legal liability for loss to a **customer's auto, or towed property**, and is primary insurance.

**INSURING AGREEMENT - ON-HOOK TOWING PHYSICAL DAMAGE  
LEGAL LIABILITY COVERAGE**

If **you** pay the premium for this On-Hook Towing Physical Damage Legal Liability coverage and it is shown on **your declarations page** as "On-Hook Legal Liability", **we** will pay all sums for which an insured is legally liable to pay for **property damage for loss to towed property**. We will pay under this coverage only if a limit of liability and a premium is shown for this coverage on the **declarations page**.

**We** will have the right and duty to defend any insured against a lawsuit asking for these damages. However, **we** have no duty to defend any insured against a lawsuit seeking damages for loss to which this insurance does not apply. **We** may investigate and settle any claim or lawsuit as **we** consider appropriate. **Our** duty to defend or settle ends when the limit of liability for this coverage has been exhausted by payment of judgments or settlements.

**INSURING AGREEMENT - GARAGEKEEPERS STORAGE LOCATION  
PHYSICAL DAMAGE LEGAL LIABILITY COVERAGE**

If you pay the premium for this Garagekeepers Storage Location Physical Damage Legal Liability coverage and it is shown on your declarations page as "Garagekeepers Legal Liability", we will pay all sums for which an insured is legally liable to pay as property damage for loss to a customer's auto or customer's auto equipment left in the insured's care while the insured is attending, servicing, repairing, parking, or storing it in your garage operations under:

1. Comprehensive Coverage.  
From any cause except:
  - a. Collision of the customer's auto with another object; or
  - b. Overturn of the customer's auto.
2. Collision Coverage.  
Caused by:
  - a. Collision of the customer's auto with another object; or
  - b. Overturn of the customer's auto.

We will have the right and duty to defend any insured against a lawsuit asking for these damages. However, we have no duty to defend any insured against a lawsuit seeking damages for loss to which this insurance does not apply. We may investigate and settle any claim or lawsuit as we consider appropriate. Our duty to defend or settle ends when the limit of liability for this coverage has been exhausted by payment of judgments or settlements.

We will pay under this coverage only if a limit of liability and a premium is shown for this coverage on the declarations page, and only for the locations listed on your declarations page.

**ADDITIONAL DEFINITIONS**

The following additional definitions apply throughout this Garage Operations Physical Damage Legal Liability Coverage endorsement whenever the defined term appears in boldface type, whether in the singular, plural, or possessive:

1. "Customer's auto" means a customer's land motor vehicle, trailer, or watercraft, including a customer's auto left with you for service, repair, storage, or safekeeping. Customers include your employees and their relatives who pay for services performed.
2. "Garage operations" means the ownership, maintenance, or use of the locations shown on your declarations page for the purpose of a business of selling, servicing, repairing, parking, or storing customers' autos, and that portion of the roads or other accesses that adjoin such locations. Garage operations also includes all operations necessary or incidental to the performance of garage operations.



3. "Insured" means:
  - a. you; and
  - b. your partners (if you are a partnership), members (if you are a limited liability company), employees, directors, or shareholders, but only while acting within the scope of their duties.
4. "Loaded in or on" means connected to.
5. "Towed property" means tangible property, not owned by or registered to you, in transit while loaded in or on, or conveyed by, an insured auto. Towed property also means property when it is moved from the place where you accept it for movement by or onto your insured auto and after it is moved from your insured auto to the place where it is finally delivered by you. Towed property includes a towed auto or watercraft.
6. "Watercraft" means any craft, boat, vessel, or ship designed to transport persons or property by water.
7. "Work you performed" includes:
  - a. Work that someone performed on your behalf; and
  - b. The providing of, or the failure to provide, warnings or instructions.

#### **ADDITIONAL PAYMENTS**

In addition to our limit of liability, we will pay for an insured under this endorsement:

1. All expenses we incur in the settlement of any claim or defense of any lawsuit;
2. The premium on any appeal bond or attachment bond required in any lawsuit we defend. We have no duty to purchase a bond in a principal amount exceeding our limit of liability, and we have no duty to apply for or furnish these bonds;
3. Reasonable expenses incurred by that insured at our request, including loss of earnings up to \$250 per day;
4. All costs taxed against the insured in any lawsuit against that insured we defend; and
5. Interest accruing after entry of judgment on that part of the judgment that does not exceed our limit of liability. This does not apply if we have not been given notice of suit or the opportunity to defend an insured. Our payment, offer in writing, or deposit in court of that part of the judgment that does not exceed our limit of liability ends our duty to pay interest that accrues after the date of our payment, written offer, or deposit.

#### **EXCLUSIONS - PLEASE READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE PROVIDED.**

1. The On-Hook Towing Physical Damage Legal Liability and Garagekeepers Storage Location Physical Damage Legal Liability coverages under this endorsement do not apply to any of the following:
  - a. Liability resulting from any contract or agreement by which the insured accepts responsibility for loss. This exclusion does not apply to an agreement

that is an **insured contract** that was executed prior to the occurrence of any **property damage**;

- b. **Loss** due to theft or conversion caused in any way by **you** or **your** employees, partners, members, directors, or shareholders;
- c. Defective parts or materials;
- d. **Faulty work you performed**;
- e. **Loss** to any of the following:
  - (i) Tape decks or other sound-reproducing equipment unless permanently installed in a **customer's auto**;
  - (ii) Tapes, records, or other sound-reproducing devices designed to be used with sound-reproducing equipment;
  - (iii) Sound-receiving equipment designed for use as a citizens band radio, two-way mobile radio, or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the **customer's auto** manufacturer for the installation of a radio; or
  - (iv) Any device designed or used to detect speed measurement equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment;
- f. **Loss** caused by:
  - (i) War, including undeclared or civil war;
  - (ii) Warlike action by a military force, including any action to hinder or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents;
  - (iii) Insurrection, rebellion, revolution, usurped power, or any action taken by a governmental authority to hinder or defend against any of these; or
  - (iv) Nuclear reaction or radioactive contamination.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss;
- g. **Loss** caused by strikes, lockouts, riots, civil commotion, or disorder; or
- h. **Loss** due to inherent vice, delay, loss of profit, loss of market, loss of market value, or loss of use.

- 2. On-Hook Towing Physical Damage Legal Liability Coverage does not apply to:
  - a. **Loss** to tarpaulins, tools, repair equipment, or materials and equipment for loading or unloading, which are carried in or on the **insured auto**;
  - b. **Loss** to any **towed property** while it is in the custody of anyone other than an **insured**;
  - c. **Loss** to objects of art, including paintings and statuary;
  - d. **Loss** to jewelry; precious or semi-precious stones; gold, silver, platinum, or other precious metals or alloys;
  - e. **Loss** to live animals;
  - f. **Loss** to papers of any kind including, but not limited to, money, securities, accounts, bills, currency, food stamps, notes, tickets, any other evidences of debt, passports, deeds, mechanical drawings, blueprints, manuscripts, or exhibits;

- g. Debris removal, including extraction of pollutants from land or water; or removal, restoration, or replacement of polluted land or water;
- h. Loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property;
- i. Loss to contraband or property in the course of illegal transportation or trade;
- j. Loss to property caused by contamination or deterioration, including corrosion; decay; fungus; mildew; mold; rot; rust; any quality, fault, or weakness in the property that causes it to damage or destroy itself; or humidity, dampness, dryness, or changes in or extremes of temperature;
- k. Loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of pollutants;
- l. Loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by an insured, anyone to whom you entrust the towed property, or anyone who has an interest in the property;
- m. Loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense;
- n. Loss caused by the explosion of explosives; or
- o. Loss to computers and electronic goods, including, but not limited to, computer hardware and component parts, televisions, DVD players, stereo or other sound reproduction equipment, or any other electronic equipment, antennas, and other devices used exclusively to send or receive audio, visual, or data signals, or to store or play back recorded media.

#### **LIMITS OF LIABILITY**

**1. On-Hook Towing Physical Damage Legal Liability Coverage.**

Regardless of the number, amount, or units of towed property or insured autos, insureds, premiums paid, claims made or lawsuits brought, the most we will pay for each loss is the aggregate amount of damages to all towed property while being loaded in or on or conveyed by one insured auto, not to exceed the limit of liability shown on the declarations page for this "On-Hook Legal Liability" coverage.

The most we will pay for loss to any towed property is the least of the following amounts:

- a. The actual cash value of the damaged or stolen property at the time of loss;
- b. The cost of repairing or replacing the damaged or stolen property with other of like kind and quality to the extent practicable; or
- c. An agreed or appraised value for the property. We may keep all or part of the property at the agreed or appraised value, but there shall be no abandonment to us.

**2. Garagekeepers Storage Location Physical Damage Legal Liability Coverage.**

Regardless of the number of customer's autos or insured autos, insureds, premiums paid, claims made or lawsuits brought, the most we will pay for each loss at each location is the "Garagekeepers Legal Liability" coverage limit shown on the declarations page for that location.

The most we will pay for a loss to any one customer's auto or all customer's auto equipment is the least of the following amounts:

- a. The actual cash value of the damaged or stolen property at the time of loss;
- b. The cost of repairing or replacing the damaged or stolen property with other of like kind and quality to the extent practicable; or
- c. An agreed or appraised value for the property. We may keep all or part of the property at the agreed or appraised value, but there shall be no abandonment to us.

If the repair or replacement results in better than like kind and quality, we will not pay for the amount of the betterment.

An adjustment for depreciation or physical condition will be made in determining actual cash value in the event of a total loss.

In the event of payment of actual cash value for a total loss, we are entitled to all salvage, or credit for salvage, resulting from such loss.

**3. Deductibles.**

For each loss that qualifies for coverage under the On-Hook Towing Physical Damage Legal Liability Coverage or the Garagekeepers Storage Location Physical Damage Legal Liability Coverage, the deductible shown on the declarations page will be applied. The deductible will be deducted from the amount of the loss payable under that coverage or the limit of liability, whichever is less.

If we pay all or any part of a deductible in the settlement of any claim or lawsuit, you must reimburse us for the deductible or the portion thereof that we paid.

**ALL OTHER TERMS, LIMITS, AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.**

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Form Z442 (01/08)

**ANY AUTOMOBILE LEGAL LIABILITY COVERAGE ENDORSEMENT**

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Except as specifically modified by this endorsement, all provisions of the Commercial Auto Policy apply.

We agree with you that the insurance provided under your Commercial Auto Policy is modified as follows:

**CHANGES TO PART I – LIABILITY TO OTHERS**

- A. The following section is added to the Insuring Agreement:

If you pay the premium for this Any Automobile Legal Liability Coverage, then the definition of "Insured auto" includes:

1. any auto, if you are a partnership, corporation, or any other entity that is not a natural person; or
2. any auto while used in your business, if you are a natural person or sole-proprietorship.

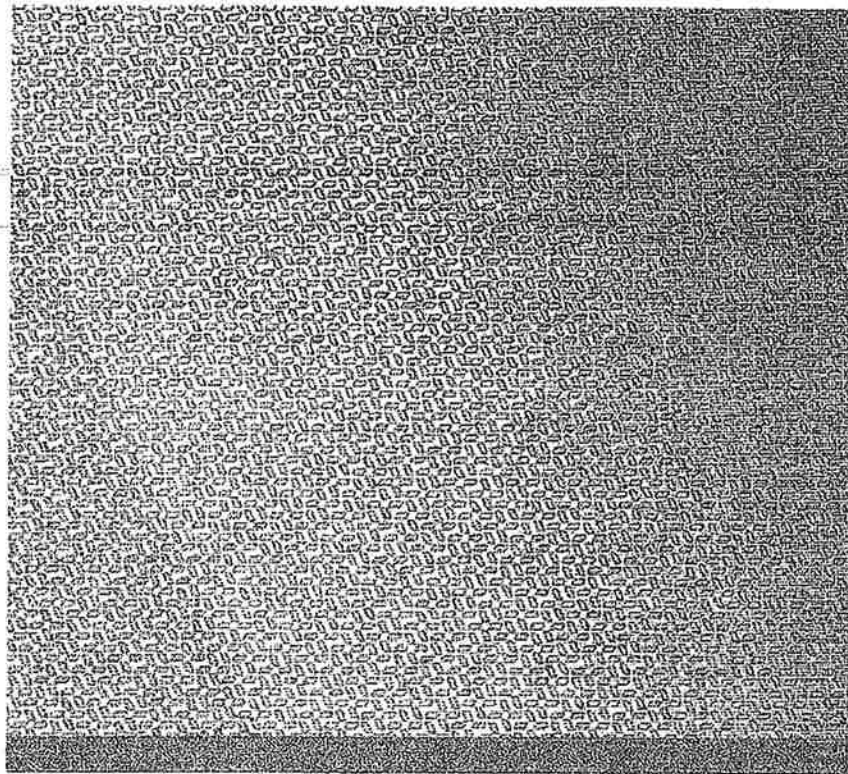
For any type of auto that you acquire during the current policy period, coverage will be extended to that auto during the remainder of the policy period.

- B. The first paragraph under the Limit Of Liability section is deleted and replaced by the following:

Regardless of the number of premiums paid, or the number of Insured autos or trailers, or the number of policies issued by us, or the number of vehicles or insureds involved in an accident, or the number of claims or lawsuits arising out of an accident, we will pay no more than the limit of liability shown on the declarations page for the coverage provided by this endorsement.

~~ALL OTHER TERMS, LIMITS, AND PROVISIONS OF THIS POLICY REMAIN UNCHANGED.~~

***PROGRESSIVE***



\*1781 OH 0109\*



### **EMPLOYERS' NON-OWNERSHIP LIABILITY ENDORSEMENT**

Except as specifically modified in this Endorsement, all provisions of the Commercial Auto Policy apply.

We agree with **you** that the insurance provided under **your** Commercial Auto Policy is modified as follows:

### **ADDITIONAL DEFINITION USED IN THIS ENDORSEMENT**

When used in this Endorsement, **non-owned auto** means an **auto** that **you** do not own, lease, hire, rent, or borrow, and is used in connection with **your** business. This includes **autos** owned by **your** employees, partners (if **you** are a partnership), members (if **you** are a limited liability company), or members of their households but only while used in **your** business.

### **CHANGES TO PART I - LIABILITY TO OTHERS**

The definition of **insured auto** is modified to include a **non-owned auto** when **you** or any of **your** employees use the **non-owned auto** in **your** business.

### **EXCLUSIONS**

The insurance provided by this Endorsement does not apply to **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **non-owned auto** in the conduct of any partnership or joint venture of which **you** are a partner or member and which is not shown as the named insured on the **Declarations Page**.

### **OTHER INSURANCE**

The insurance provided by this Endorsement is excess over any other valid and collectible insurance.

**ALL OTHER TERMS, LIMITS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.**

Form 1890 (06/04)

Policy number: xxxxxxxx-x

xxxxxx xxxxxxxx

Page x of x

**Hired Auto Coverage endorsement**

Except as specifically modified in this endorsement, all provisions of the Commercial Auto Policy apply.

We agree with you that the insurance provided under your Commercial Auto Policy is modified as follows:

**Additional definitions used in this endorsement**

When used in this Endorsement, whether in the singular, plural, or possessive:

1. **"Hired auto"** means an auto you lease, hire, rent or borrow. This does not include any auto you lease, hire, rent or borrow from any of your employees, partners (if you are a partnership), members (if you are a limited liability company) or member of their households.
2. **"Cost of hire"** means the total amount paid by you for the hire of autos, including charges for services performed by motor carriers of property or passengers that are subject to the compulsory requirements of any motor carrier laws or regulations.

**Changes to Part I – Liability To Others**

When used in Part I – Liability To Others, the definition of insured auto is amended to include hired auto.

**Other Insurance**

The insurance provided by this Hired Auto Coverage Endorsement is excess over any other valid and collectible insurance, whether primary, excess, or contingent.

**Premium agreement**

The premium for this Hired Auto Coverage is based on the cost of hire, and is subject to a minimum cost of hire as listed below. We may audit the cost of hire and charge appropriately for additional premium for up to three (3) years after the policy expiration.

**Schedule of Hired Auto Premium, BI/PD Liability Coverage**

Rate per \$100 Cost of hire	XXXXXXXXXX
Minimum cost of hire	XXXXXXXXXX
Minimum Premium	XXXXXXXXXX
Estimated cost of hire	XXXXXXXXXX
Estimated premium	XXXXXXXXXX



**SINGLE DEDUCTIBLE ENDORSEMENT**

Except as specifically modified in this endorsement, all provisions of the Commercial Auto Policy apply.

We agree with you that the insurance provided under your Commercial Auto Policy is modified as follows:

**PART II - DAMAGE TO YOUR AUTO**

The Deductible section is deleted in its entirety and replaced by the following:

**DEDUCTIBLE**

For each loss that qualifies for coverage under Comprehensive, Collision, or Fire and Theft with Combined Additional Coverage, the deductible shown on the **Declarations Page** for the insured auto will be applied. A single deductible will be applied to any loss. In the event there are different deductible amounts applicable to the loss, the higher deductible will be applied. In all events, the deductible will be applied against the limit of liability.

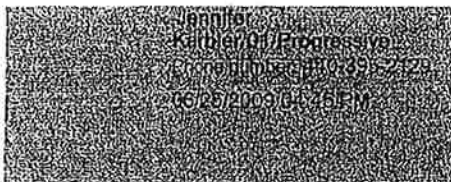
If your insured auto is an additional auto that you have requested to be added to your policy within thirty (30) days of your acquisition of the auto, and no deductible has been designated for the additional auto prior to the loss, then:

- A. when the insured auto is a private passenger auto, we will apply the lowest deductible listed for any one auto listed on the **Declarations Page**; or
- B. when the insured auto is an auto other than a private passenger auto, we will apply the highest deductible listed for any one auto listed on the **Declarations Page**.

No deductible will apply to a loss to window glass when the glass is repaired instead of replaced.

**ALL OTHER TERMS, LIMITS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED.**  
Form Z435 (12/06)

B



To Aleksandra V Orlova/01/Progressive@PROGRESSIVE,  
Amy Brunkala/00/Progressive@PROGRESSIVE, Andrew  
Bushman/00/Progressive@PROGRESSIVE, Craig  
cc Sara Stehlik/00/Progressive@PROGRESSIVE

bcc

Subject 2009 Fleet Insurance Renewal: Instructions

2,195 35  
732 11  
2928.46

The following summary sets out the coverage and accounting procedure for our Fleet policy which renews 7/1/09.

- **Coverage no change:** The front policy will have \$1 million coverage and \$1 million deductible, which will cause all losses to be paid under the deductible.
- **Premium and Surcharges:** The \$3,000 premium charge to cover credit exposure has been allocated to each policy based on the number of vehicles that policy insures. Corporate will pay for the premium expense, which will be booked to CCC - 31155; Exp Class - 150200..

Commercial Auto will receive \$126,519.73 for servicing the policies; this will be paid in full on 7/1/09. The expense will be charged against our Fleet CCC -31155 and allocated back to the cost centers with vehicles per our accounting process.

<b>United Financial Casualty Company</b>	<b>Policy#</b>	<b>3641761-3</b>
Servicing expenses paid to PCA	\$	123,502.49
Premium for Credit Risk		2928.46
<b>Premium due under Policy 3641761-3</b>	<b>\$</b>	<b>126,430.95</b>

<b>Progressive Michigan</b>	<b>Policy #</b>	<b>4130610-8</b>
Servicing expenses paid to PCA	\$	3,017.24
MCCA Surcharge (\$124.89 * 88)		10,990.32
Premium Credit Risk paid to PCA		71.54
<b>Premium due under Policy 4130610-8</b>	<b>\$</b>	<b>14,079.10</b>

> 11,061.86

- PCA should allocate premium/surcharge to each respective line coverage based on the percentages provided in the attached worksheet.
- Draft requests for the premiums will be sent to A/P; AR Processing will be instructed not to apply the cash until the policies are in quote status. Craig to Inform Risk Management of this.
- PCA to provide DEC pages and policy updates to Risk Management
- PCA will verify with BAP that the amounts in CB & PR systems are equal and AB has 0.00 for each policy.
- Our goal is to ensure Claims Verification can attach claims to these policies no later than Monday (6/30).
- Premium will be booked to 31155 (150200 premium expense which is allocated monthly back to Fleet CCC). Losses will also be booked to 31155 and allocated monthly back to Fleet CCC.
- A few changes from prior year - DCC expenses were included as part of the premium analysis and the Adm charge was reduced to 8% based on PBL trend.

If anyone has questions about this, please don't hesitate to call. Thanks again for all your help on this and let's keep our fingers crossed!

Jennifer Karbler  
Corporate Risk Management  
Progressive Insurance Company  
440.395.2129

UFCC000004



## 2008 Coverages

03641761-3

Ohio Premium	Line Coverage	Allocation	premium \$	Adm charge	Premium (1)
Bodily Injury Liability	191057	18.7%	\$ 57.82	\$ 16,661.16	Liability
Property Damage Liability	200157	18.3%	56.69	16,334.41	Phydam
Medical Payments	280194	0.4%	1.21	347.41	Credit Risk
Hired Auto Bodily Injury Liability	192657	0.1%	0.31	89.06	PCA Admin
Hired Auto Property Damage Liability	202657	0.1%	0.31	89.06	
NonOwned Bodily Injury Liability	193057	0.1%	0.31	89.06	
NonOwned Property Damage Liability	203057	0.1%	0.31	89.06	
Uninsured/Underinsured Motorist	196757	6.2%	19.04	88.06	
Physical Damage - Comprehensive	210187	20.4%	106.52	5,487.66	# of Vehicles
Physical Damage - Collision	210387	35.5%	185.68	30,809.99	Ohio
				53,505.63	Michigan
				<u>\$ 123,602.49</u>	3,802 97.6%
					89 2.38%
					3,690

04130610-8

Michigan Premium	Line Coverage	Allocation	premium \$	Adm charge	Premium (1)
Residual Bodily Injury Liability	191957	8.61%	\$ 25.13	\$ 175.89	Credit Risk
Residual Property Damage Liability	200157	1.81%	5.29	37.24	AOS
Property Damage Buyback	212602	0.1%	0.43	3.05	MI
PIP	290102	35.2%	102.71	723.09	
PPI	200201	0.3%	0.97	6.83	
Hired Auto Bodily Injury Liability	192657	0.10%	0.29	2.05	
Hired Auto Property Damage Liability	202657	0.10%	0.29	2.05	
NonOwned Bodily Injury Liability	193057	0.10%	0.29	2.05	
NonOwned Property Damage Liability	203057	0.10%	0.29	2.05	
Uninsured / Underinsured Motorist	196737	0.10%	0.29	2.05	
Physical Damage - Comprehensive	210187	25.74%	141.08	993.18	
Physical Damage - Collision	210387	27.65%	151.52	1,086.72	
Add MCCA Surcharge			124.89		
				<u>\$ 3,017.27</u>	

(1) These allocations were based off premium analysis done by Corporate Actuary (Kuss/Oritova) for 2008

UFCC000005